

Introduction



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The enterprise data model is the foundation of ABS.

All information is stored in one database. All functionalities of ABS (contract management, claim handling, etc.) and all lines of business (motor, P&C, life, etc.) use this single database.

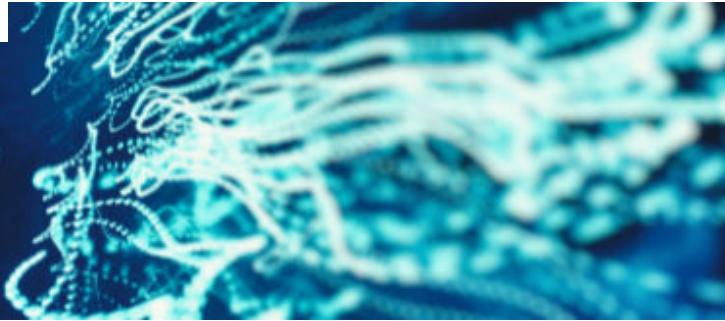


The image shows all available ABS domains and depicts their connection to each other.

ABS has an Allianz enterprise data model as a solid base and is based on several core concepts.

The Enterprise Data Model

General information on ABS



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These are the unique characteristics of the enterprise data model

The data model supports end-to-end core insurance processes, from insurance contract sales to claim payout, in one consolidated model. The model does not contain redundancies.

- There is only one way to describe e.g. a bank account, an address or person details from a data modeling perspective, regardless of the purpose an information is needed and used for.
- As all information is stored in **one database**, maintenance and synchronization efforts are reduced. This is what makes the ABS data model unique in contrast to other approaches using more than one data model for different parts of the core insurance processes.

- There is only one way to store information. Person data is captured only once and used in LoBs (Line of Business) in exactly the same way (other approaches capture person data in a LoB-specific way which leads to redundancies). The data model supports multiple lines of business (LoBs) in a uniform way.
- There is also only one way how a person is described from a data perspective, regardless of the role in the business process, be it a policy holder, a business partner or a medical doctor performing an expert opinion. This characteristic enables a 360-degree customer view.

The data model provides means for functional historicization (which information was valid at a certain point in time) and revision/audit historicization (which user captured what information and when).

Multi-language, multi-currency and multi-tenant functionalities are supported.



Logical and physical data model

The ABS data model is set-up as logical and physical model. The logical model is in English, whereas the physical one is German/English mixed. This dates back to the time when ABS was only used in Austria. The structure of the logical model is identical with the physical one.



For example, a person is described in the model as follows:

- Logical Entity Name: PERSON
- Physical Entity Name: TPERSON
- Logical Attribute Name: CUSTOMER_NUMBER
- Physical Attribute Name: KUNDENNR
- Logical description of entity PERSON: "... comprises all natural persons (each physical person) and legal persons (agencies, corporations, associations,...)"
- Logical description of attribute CUSTOMER_NUMBER: "This attribute records a number that uniquely identifies the person. This number is a functional key that can also be given to the person, and which the person can use to communicate with the company. This number must therefore be stated in letters and on screens in the online system. The number assigned must be unique."
- Other Metadata



Groups of Data

The **ABS Data Model** consists of two groups of data: operational data and defining data.

Defining data is the predefined configuration data that controls the ABS functionalities, e.g. the language in which ABS runs per default. Defining data is maintained via the ABS Configuration Suite application.

Operational data, as its name suggests, is the data of insurance business's day-to-day operations. Clerks in customer care, sales and field service agents, among others, amend this data to conduct the company's daily affairs.

Enterprise Data Model			
Defining Data		Operational Data	
Workflow Rule	Company Configuration Data	Assignment	Feedback
Commission	Organizational Model	Third-Party Contract	Property
Domain	Loss Event (def.)	Loss Event	Accumulation Risk
Product	...	Person	Contract
...		Claim	

There are many parts of operational data. They describe the various objects needed in insurance business.

- The operational data is the data of daily business created and edited in the ABS applications (e.g. RAP client, web applications), having read-write access to operational data and read-only access to the defining data.
- Operational and defining data are functionally subdivided into areas as the image above shows. They will be discussed in the upcoming chapters.



Data Model Syntax Rules

For the ABS data model the following basic syntax rules apply:

- Table names always begin with T, P or H and must not contain any special characters.
- H-tables are historicized tables and P-tables are used for logging and represent the historicized status of the T-tables.



TVERTRAG (current contract state), HVERTRAG (historicized contract state), PVERTROUTVOR (log table for contract routing rules).

Log tables help to understand who has done which changes at what time in the defining data and which version of the data was effective in production at which time.

Log tables in the defining data are the counterpart of the historicized tables in operational data.

Characteristics:

- Physical tables names may only be T/P/H and max. 17 characters long. Technical attribute names may be 18 characters long.
- Logical (functional) tables/attribute names may be up to 32 characters long
- CHAR, TIMESTAMP, VARCHAR, NUMERIC, DATE, BLOB, CLOB, UUID and XML are the attribute data types used in ABS

These rules are valid for the customer-specific extensions of the ABS Core data model as well.

Syntax rules for customer-specific tables

- Customer-specific tables and attributes do contain a customer ID as a prefix, which is aligned with the ABS Core Competence Center (e.g. TDE1 for Germany, TAT1 for Austria)



Example, in Germany the CORE-table Contract has been extended:

Logical name: DE1_CONTRACT with the logical attribute name DE1_DURATION_ORIGINAL

Physical name: TDE1APPC07BVERTRAG with the physical attribute name DE1_DURATIONORIG



Definitions

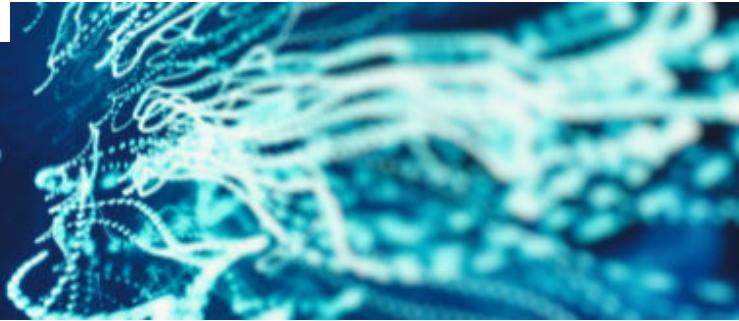
Defining Data

Operational Data

Person

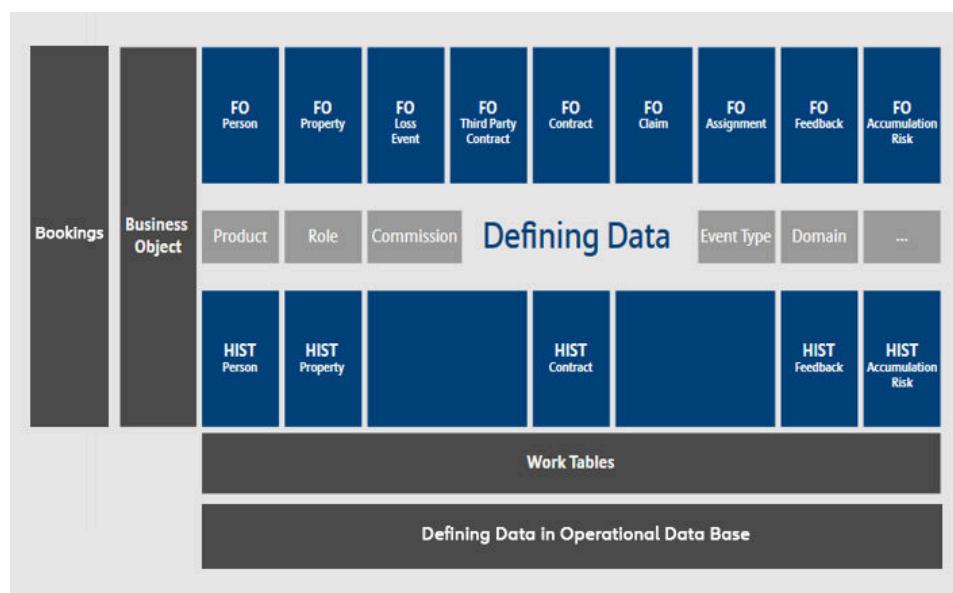
Operational Data

Operational Data



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This card is about the groups into which operational data is divided and the concept behind their respective database tables.



The image shows in blue and black operational data and in light grey the defining data groups. Operational data is stored in tables representing functional objects, business objects, historicized tables, work tables, bookings, and defining data in operational database.

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The business object table TGSCHFAKT stores information who made change to a functional object table.

- In the first row all **nine functional objects** are listed. The subdivision into nine functional areas is an ABS choice that is used in cross cutting functionalities and from an organizational view as you will see in the different learning modules to come.
- In the third row all the **historicized functional objects** are listed. Note that only part of the functional objects are historicized in ABS.
- The **business object** provides features that can be used by all or several of the functional objects. It links the functional objects with their historicized tables. Business objects represent data that add cross cutting functionality to the functional objects independent of the specific one.
- **Work tables** are a separate construct e.g. de-normalized (redundant) information for performance reasons.
- **The bookings** shown on the left are related to a set of tables representing financial bookings. These may be e.g. premium bookings or claim compensations. Similar to business object tables, they can be used in different functional objects (e.g. accounts in person, policy and claim).
- **Defining data in the operational database** represent data that is defining in its nature but which needs to be maintained like operational data (i.e via ABS Core clients and not via the ABS Configuration Suite).



The mechanism to store contact history to a functional object is always the same. So for a claim the mechanism of contact history is the same as for contract.



Functional Object



A **functional object** is a set of tables that are grouped together from a functional perspective. ABS defines nine functional objects.

They are divided in real world objects like person, property, loss event and business world objects like contract, claim, third-party contract, assignment, feedback and accumulation risk.

To better understand what is meant by "real world" and "business world" the following example shall help:

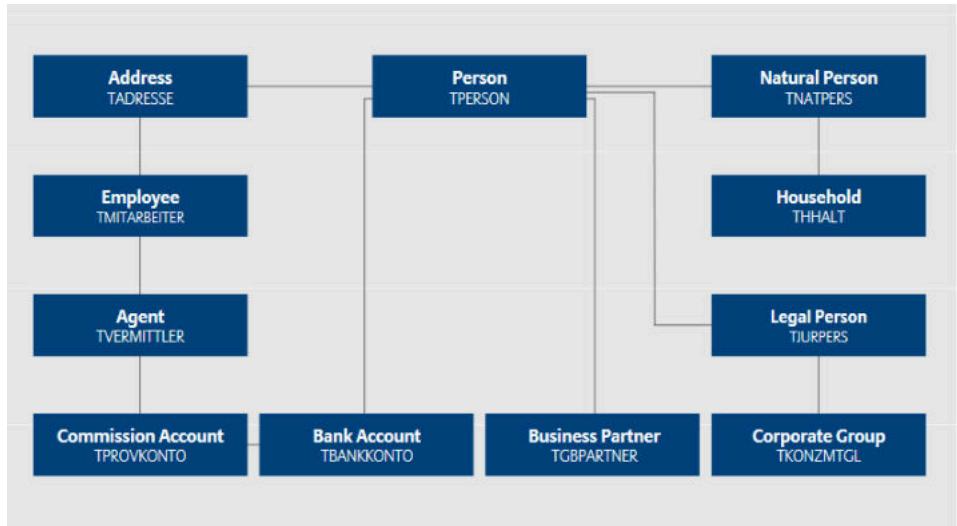


Person is part of the "real world" as the person exists independently of any insurance business and shall be modeled as such. This means that no information depending on the role of the person shall be stored there.

The information if a person is insured or holds a policy is part of the "business world" i.e. in the functional object contract in form of the logical entities INSURED_PERSON or POLICY HOLDER. Attempts to create attributes to store such information in the entity PERSON would be a severe violation of ABS data model principles and must not be done. For life cycle aspects the two entities INSURED_PERSON and POLICY HOLDER belong to the functional object contract. A person can exist in ABS without a contract but not vice versa.

Therefore a person cannot be deleted before a contract has been deleted.

The image shows the functional object person with a subset of entities. The name of the functional object and the name of the entry table are often used as synonym.



Example: functional object person, logical entity name: PERSON, physical table name: TPERSON)

A person can take several different forms and contain additional information, like address, stored in attributive tables. A person can be a natural person or a legal person, which can be government agencies, any type of corporate entity, businesses, associations, colleges and universities and other such groups established in law. Legal persons can be assigned to a corporation; this is how it is possible to depict corporations with their respectively large company structures within ABS.

- The address contains the postal addresses of a given legal or natural person.
- The bank account contains the account numbers, bank identifier codes, etc. corresponding to a given person's bank accounts.
- Specific elements are available per person type: the household contains information regarding the household of a group of natural persons forming a household. A legal person can be further defined by business branch or member of a corporate group.
- A person can be assigned to a defined address as an employee of the insurance company. At the same time this person can also be assigned as an agent to a commission account, which in turn references an actual bank account.



Business Object



A business object is a set of tables that provides functions which matter for all functional objects.

These functions are for example workflow functionalities e.g. process slip, scheduled task, business object activities, documents and the connection to historicization. Instead of implementing these functions redundantly for each functional object, they are implemented once through the business objects and can be used by every functional object. Thus the business object is a functional objects neutral concept.

For example, a functional object person and a functional object contract can use the associated business object table TVERPROTOKOLL providing the same functionality (e.g. historicization) for both functional objects.

The table TGSCHFALL is the entry point for all business object tables and the link to functional object tables. Due to this central role business object is also used often as synonym and logical name of this table.

Business object tables provide the following information:

- **Business object activity (TGSCHFAKT):** in this table the who, what and when of a change of a business object is captured, eg. an address change or the creation of a new person data. The entity business object activity itself only contains unspecific information about what has been done. The entity change documentation (TAENDDOKU) can be used to capture details.
- **Change protocol for historicization (TVERPROTOKOLL):** in this table, the historicization of functional objects is logged. Specifically, it logs which table was changed and in which manner (update, insert or delete) and contains information about modified entities for each functional object. It provides details to what has been done in the course of a business object activity and is therefore linked to it.

- **Appointments for the sales staff (TVERKTERMIN):** the customer care center can use this functionality to store sales appointments for field service agents.
- **Documents (TDOKUMENT):** assigns and manages documents. Documents can be stored as BLOBs (Binary Large Objects) or in an archive. If documents are stored in an archive, only the reference to the archive is stored in the document.
- **Contact history (TKONTAKTHIST):** stores information about all contacts to a given customer and is related to the respective business object. Specifically, it stores at what time, for which topic and with which results a contact was processed. It can also have a ranking of positive, negative or neutral.
- **Business process status (TGSCHFALL, attribute GPSTATUS):** in this attribute the life cycle of a contract is described, e.g. work in progress or completed.



Functional Object Vs Business Object



Functional objects are objects from real life and the business world. Business objects are associated with corresponding functional objects.

Each instance of a functional object also comprises an instance of a business object. Suppose you want to process a Claim in ABS. First of all, an instance of a Functional Object Claim is created. When creating the Functional Object, a corresponding instance of a Business Object is also created.



Whenever a new record is created in table TSCHADEN a corresponding record in TGSCHFALL [KGD1] is created.



Work Tables in Operational Data

Work Tables are an additional data group in the operational data world of the enterprise data model. These tables are used e.g. for performance improvements and temporary storage for batch processing.



Work tables contain redundant information from the operational data and exist to accelerate access to this specific information and to improve database performance.



Examples of **work tables** are work lists, person search or tables for functional keys, like policy numbers or claim numbers. Entries in these tables are created by batch services and may be deleted after processing

Take the case of the claim work list, which contains all claims (with the most important information) to be processed by claims clerks. It only exists for performance reasons and is a central feature which clerks access several times a day. The work list has to be up to date all the time. If ABS didn't provide a work table for claims, it would have to retrieve all claims and related data for processing from the original tables, which would take quite a long time, and thus would negatively impact ABS' performance.



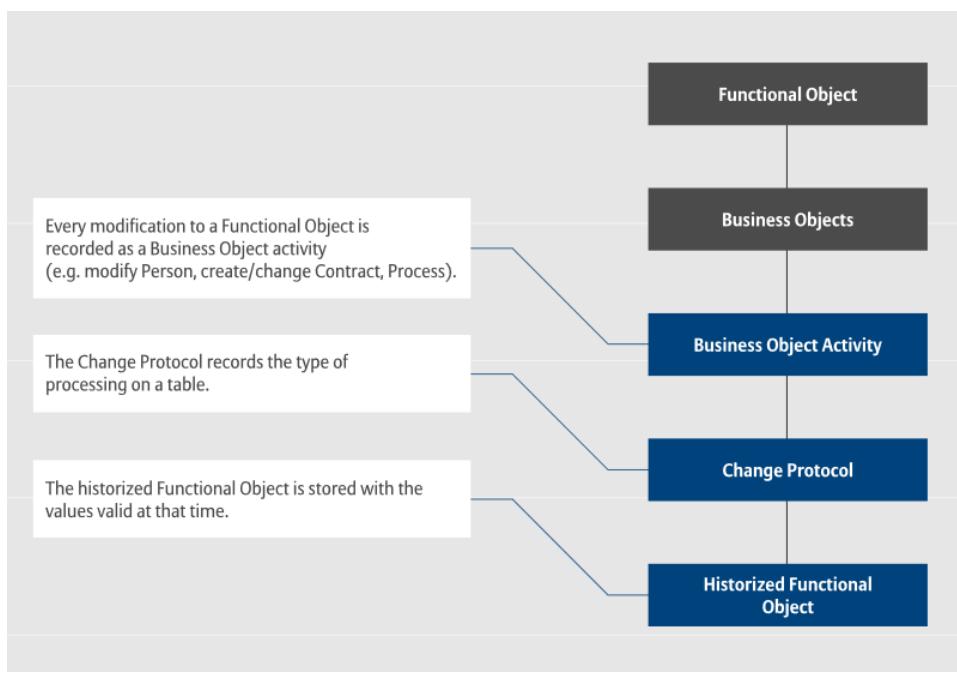
Historicization

The process of historicization refers to the placement and maintenance of functional objects in historicized tables.

The following functional objects can be historicized:

- Person
- Property
- Contract
- Accumulation Risk
- Feedback

The image below shows the functional object historicization. If a Business Object is modified, the changes are functionally and technically logged. The historicized Functional Object is then stored in a historicized table. All historicized tables start with an H, e.g. HVERTRAG (as opposed to TVERTRAG).



Knowledge Check

What is a functional object?

Insurance-relevant objects of the real world are called functional objects like person, property or loss event. They are also objects of the business world like contract, claim, assignment or feedback.

What is a business object?

A business object is a set of tables that provides functions which matter for all functional objects. These functions are for example workflow, business object activities, documents and the connection to historicization. Business objects are the primary superclass objects of functional objects. On top level of a functional object there is always a business object.

What are historicized tables needed for?

Historicized tables are used, for example, for contracts to trace all changes and contract states over time. This means that it is possible to view the contract state five years ago as well as the actual, current contract state. This is especially useful in claim.

What are work tables and what are they used for in ABS?

Work tables can contain redundant information from the data model and exist to accelerate access to this specific information and to improve database performance or to temporarily store data. Examples of this redundant data can be work lists or person searches. Work tables are further used for the creation of unique keys as policy sequence number and claim number as well as to steer and support batch processes (e.g. table TBATCH_PROT).

Which functional objects are historicized?

Person, property, contract, accumulation risk, feedback

Why are e.g. persons and properties also historicized?

Persons and Properties are historicized because this information is relevant in case of a claim for example. A Person's address can change, as can the state of a Property.

What is the business object activity used for?

It captures who changed the business object, what was changed and when it was changed. This data can be repurposed for presentation as functional change documentation.

Please list at least four business object functions

Business object activity, modification log, workflow control, contact history, appointments for sales staff.



Definitions

Functional Objects

Legal Person

Natural Person

Person

Bank Account

Household

Employee

Agent

Commission Account

Business Object

Historicization

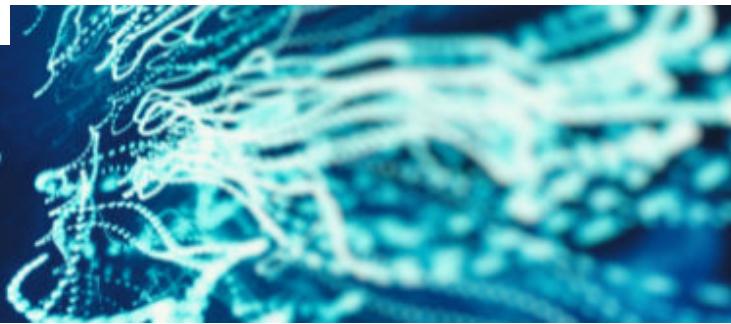
Contact History

Work Tables

Contract

Defining Data

Defining Data



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Defining data is the predefined data that controls ABS functionalities. ABS- has read-access only to the defining data. This means that defining data cannot be edited or deleted in the operational area of ABS.



Defining data is maintained in the ABS Configuration Suite, for which specific administration rights are needed. Defining data should not be deleted but only deactivated by defining a validity and setting an expiration date.

Functional objects access and make use of defining data.



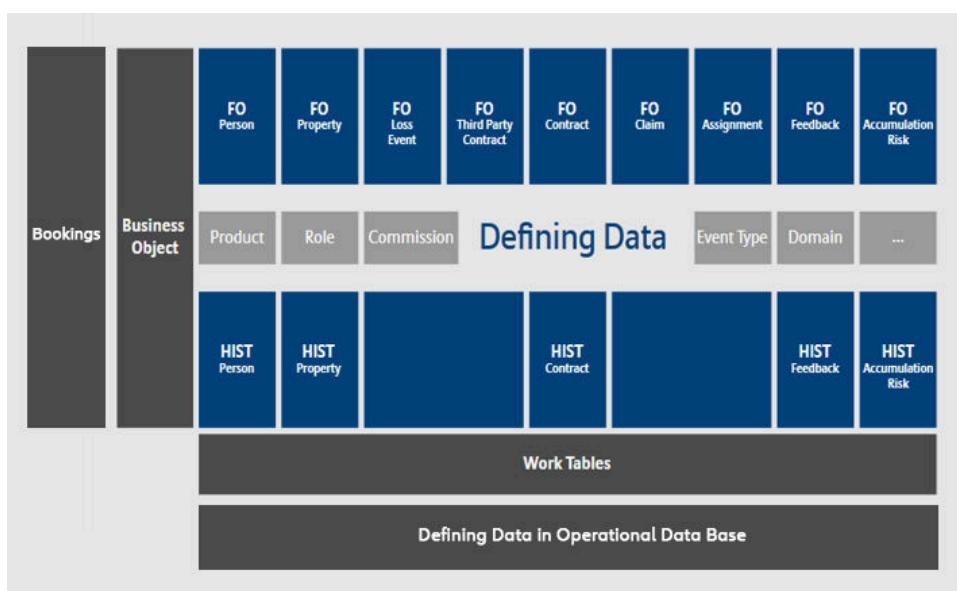
The defining data of a product describes the various possibilities for an operational contract associated with a specific product.

A motor liability product is created in the defining data area. This is the basis for the operational area, where the data is available for clerks. Only the motor liability options defined in the defining data can be used in ABS.

Defining data is used to control functional and technical processes. It describes, presents and specifies operational data. The defining data is retrieved from the online system as well as from the batch system. Defining data is the basis for creating operational data.

This card is about the areas into which defining data is divided and the concepts behind their respective database tables.

In the image below defining data areas are shown in light grey:





Usage of Defining Data

The table provides an overview of the defining data areas.

Area	Description	Maintenance
Organisational Model	Definition of employees, depiction of hierarchical structure of the organization and locations	ABS Configuration Suite (Organizational Model-Application)
Roles	Structural information of each role, interaction within the organization, information for workflow control) Definition of access rights and usage profiles	ABS Configuration Suite (Organizational Model Application)
Company Configuration Data	Company configuration data types are e.g. company name, function switches, limits, thresholds, currency	ABS Configuration Suite (Organizational Model Application)
Workflow	Definition of scheduled tasks, process slips and routing criteria	ABS Configuration Suite (Organizational Model Application)
Product	Definition of insurance products, loss types and loss causes as well as definitions of configuration attributes for master contracts in group business	ABS Configuration Suite (PEx - Product Explorer)
Domains	Defining domain ranges and values	ABS Configuration Suite (Domain Management Application)
Reinsurance	Definition of reinsurance parameters	ABS Configuration Suite (Reinsurance Application)
Agent	Information on agents and commission accounts	ABS Rich Client, person file
Commission	Definition of commission rules	ABS Configuration Suite (Commission Application)
<p>The Organizational model area defines the organizational structure within an insurance company. The data in the organizational model application is maintained in the ABS Configuration Suite. Employees' Roles within the hierarchy structure of the organizational model can be assigned.</p>	<p>The Roles area contains all information for different authorization profiles.</p>	<p>The Company Configuration Data area contains different system configuration information where customer-specific adaptions can be configured. The data also describes tenants and their corresponding characteristics, such as bank account information, Booking area and company name.</p>
<p>The Workflow area enables the definition of Escalation steps, routing for teams,</p>	<p>The Product area stores information for all the functions necessary for the operation</p>	<p>The Domains area defines values and ranges. Domain definitions are stored and</p>

skill groups, claim, contract and document routing as well as the definition of Scheduled Tasks.

of an insurance product. Information can, for example, be the corresponding product classes, e.g. liability or Household or the sum insured with a maximum of 10 million euros. In the product area loss events and loss types relevant for Claim handling and automatic coverage checks are defined. Furthermore, attributes for the configuration of master contracts are done in PEx for Group Business.

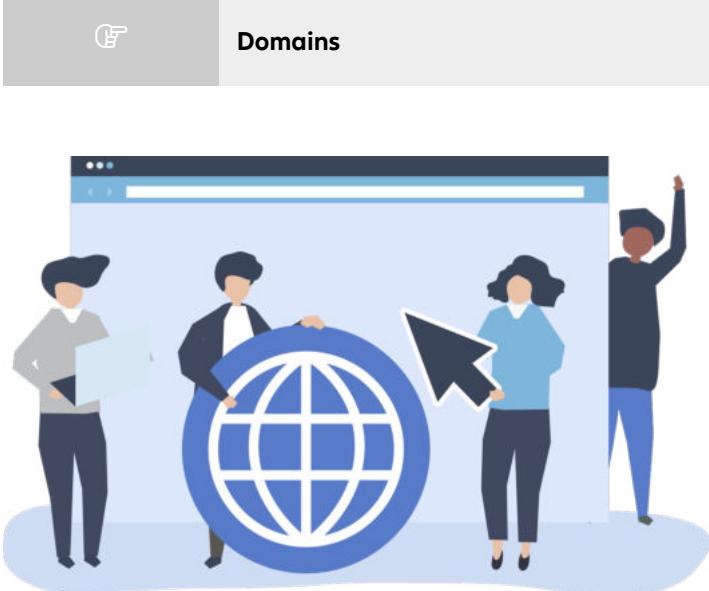
maintained in the domain Maintenance application of the ABS Configuration Suite.

The **Reinsurance** area enables the definition of reinsurance bouquets (i.e. a bundle of different reinsurance contracts offered by the direct insurer) and its parameters and calculations.

The **Agent** area provides ABS with information on the assignment of agents to sections and on their roles. Agents and their respective Commission Accounts are maintained in the ABS person file.

The **Commission** area controls functions for the commission calculation. Corresponding data is maintained in the ABS Configuration Suite.

Changes in defining data are logged. The information on the change activity is available in TGGRLAKTIVITAET. TGGRLAEND gives more information on the concrete change performed. Logging of individual defining data areas is used for saving changed values and the subsequent traceability of changed values (similar to historicization of the functional objects).



Domains

Domains are predefined ranges for values in the defining data area. They consist of domain values. This information can be used, but not changed, in the operational part of ABS. A default may be defined for a domain.

The domain fuel type (KRAFTSTOFFART) contains various types of available fuel types, e.g. diesel, electric drive, etc.

A domain has the following values:

- **Domain name:** in ABS the value range for a specific function (in most cases an attribute) is restricted and filled with the respective values only.

For example, the domain payment frequency (ZAHLWEISE): the payment frequency is selected from a dropdown listbox in ABS Core: monthly, quarterly, half-yearly, yearly (also depending on the selected product).

- **Domain type:** This can be a real domain or a virtual domain.

- A real domain is a closed range of values for a column in an operational table.

- A virtual domain is a closed range of values for a screen field.

Real domains can be: academic title, profession, marital status, country, payment method.

Virtual Domains can be: journal display options (OPTIONEN_JOURNAL_S) to control screen layout in ABS, as well as how searches are to be carried out.

- **Flag Core Domain:** this can be a core domain, a mixed domain or a customer domain.

- A core domain contains core values only which means that the ABS Core code directly refers to all domain values (e.g. payment frequency), and ABS Core is responsible for this domain. Customers cannot change the values but can vary the text, provided that the meaning remains intact. An option also exists for the customer to switch off the value via the VALID_TO-DATE in the domain.
- A mixed domain contains ABS Core values and customer values.
- A customer domain is a domain that is unknown to the ABS Core and only the customer knows the values. This customer domain can be used in the implementation scenarios of this particular customer only. The information if it is a Core domain value is given in KZKERNDOMW.

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The basic properties of a domain are stored in entity TDOMAIN.

Values of a domain will be stored in TKZ_1 to TKZ_8. TDOMAIN and TKZ_1-8 are linked via a functional key (domain name).



Values of a domain have per definition in TDOMAIN a maximum length of 5 characters. This means that the values of the domain will be stored in TKZ_5.



Domain Relations

In general a domain relation can describe dependencies between domains.

It is possible to describe restrictions of domain values of one domain according to a value from another domain. Relations can also be defined for a domain in a context (e.g. for a specific file). One of the defined values of a domain can be marked as the default value. This value is automatically preset for a specific field in the ABS Core GUI.

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In other words: domain relations are rules that allow to filter out subsets of domain values from a single domain or from several related domains. The attribute domain rule is used to reference a domain relation in the code.



Let us see an example to illustrate the functionality of a domain relation:

For a moped only the fuel type gas is available to be selected. Thus one domain is the vehicle type (moped). The second domain is the fuel type gas which is configurable in this case.

A domain relation consists of the following attributes:

- Relation name
- Logical application area: e.g. the contract file
- Domain name (restricted domain): only restricted values, e.g. specific fuel types only
- Domain value list (restricted domain): you can maintain the exact values to be made available in this list
- Related domain name: this domain provides the basis for the restricted values, e.g. vehicle type
- Related domain value list: you can maintain the values for the restriction in this list, e.g. T for truck



Knowledge Check

What is defining data?

The defining data (e.g. product definitions, user rights, etc.) is predefined and clerks cannot edit it. ABS has read access only to this data. Defining data is mostly maintained in the ABS Core Configuration Suite.

What are the nine main defining data areas?

Organizational model, company configuration data, workflow, roles, agent, commission, domains, product, reinsurance

Where is the defining data maintained?

In the ABS Configuration Suite

What are the types of domains?

The domain type can be genuine or virtual. In addition it can be further distinguished in core domain, a mixed domain or a customer domain via the flag core domain.

What are real domains?

A real domain is a closed range of values for a column in an operational table. Real domains can be an academic title, a profession, a marital status, a country, a payment method.

What are virtual domains?

A virtual domain is a closed range of values for a screen field. Virtual domains can be journal display options.

What is a core domain?

A core domain only contains core values and no customer values. The ABS Core is responsible for the domain. Customers cannot edit these domain values.

What is a mixed domain?

A mixed domain contains core values and customer values but the ABS Core is responsible for the domain.

What is a customer domain?

A customer domain is a domain that the ABS Core does not know and that only contains customer values. Such a customer domain can only be used in the implementation of that particular ABS customer.

What is a domain relation used for?

A domain relation is used to depict dependencies between domains. It is possible to depict restrictions of domain values of one domain according to a value from another domain.



Definitions

<u>ABS Configuration Suite</u>	<u>Roles</u>	<u>Company Configuration Data</u>
<u>Booking</u>	<u>Escalation</u>	<u>Scheduled Tasks</u>
<u>Product</u>	<u>Household</u>	<u>Claim</u>
<u>Group Business</u>	<u>Agent</u>	<u>Domain</u>
<u>Commission</u>	<u>Core Domain</u>	<u>Customer Domain</u>
<u>Domain Type</u>	<u>Real Domain</u>	<u>Virtual Domain</u>

Data Interaction and Extension

Data Interaction and Extension

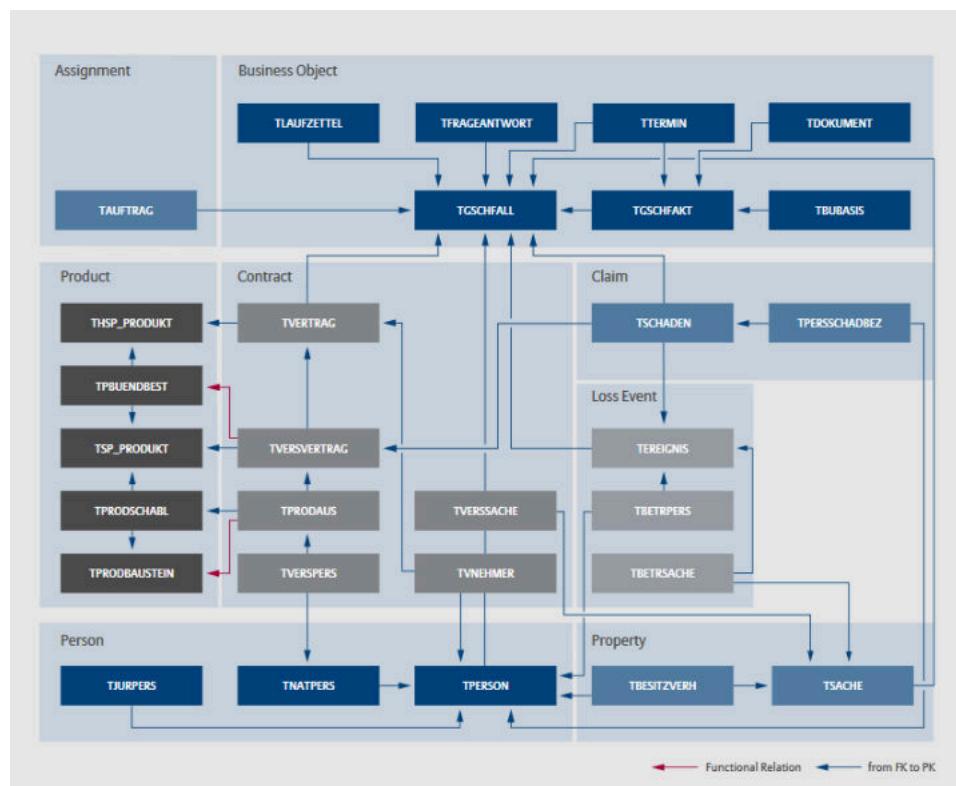
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The ABS data model encompasses two types of data: operational data and defining data. While they are defined and maintained separately, obviously in isolation they are insufficient for day-to-day business purposes.



How Functional Objects are Related to Each Other

The image displays the relations between functional objects in the enterprise data model.



Extract from the database model and its relations

Functional objects are related to each other in the following ways:

- A contract (TVERTRAG) is held by a policy holder (TVNEHMER) or an insured person (TVERSPERS) and is therefore connected to the functional object person (TPERSON).
- A product is connected to the contract (TVERTRAG) through its defining data. When, for example, a person is the owner of a property, the person can be connected with the functional object property (TBESITZVERH).
- A claim (TSCHADEN) is connected to the coverage (TVERSVERTRAG) and the functional object person (TPERSON), who is the policy holder or injured party via TBETRERS



Extension Options

As the data model is the basis for a global insurance application, Allianz operating entities (OE) may need extensions of it for their local insurance business.

Some extensions are useful for ABS customers which are implemented by ABS Core. Others are customer-specific and will be inserted into the customer-specific layer of the data model. The table below outlines the three different ways to extend it.

1. Extension of the ABS Data Model

Extension of the Core database with new entities and/or attributes

2. Modeling of New Customer Specific Tables

Modeling of new customer-specific tables with 1:n relations to a core table via UUID, done by ABS Customer

3. Usage of Generic Tables

Entries built via existing generic tables. Those tables are connected to basic Core tables

- **Option 1:** Attributes or even entities that can be used for other ABS customers can be requested in ABS Core as an extension to the data model.
- **Option 2:** ABS customers can add customer-specific tables to the data model. Tables need to have a customer prefix (e.g. TDE1_xxx, TAT1_xxx, etc.).
- **Option 3:** Usage of generic tables. These can be created for any Functional Object.



The Principle of Generic Tables

Generic tables contain the post-suffix _GEN and are defined in the data model but the possible values are configured and documented in the table TDEFGENATTR.

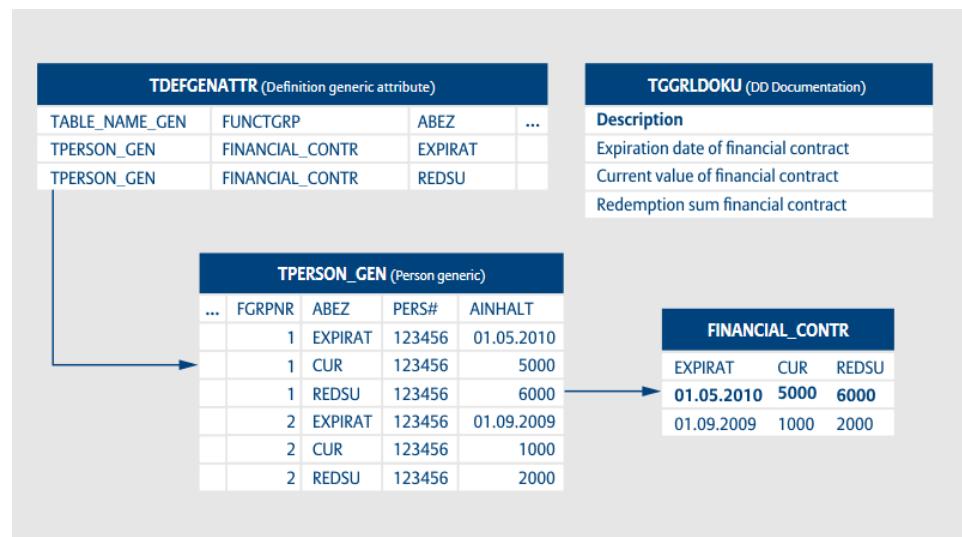
These tables are used for information that:

- Arises less frequently or only in specific constellations of a functional object. For example, of the more than 10 million entries in the table TVERTRAG, only 4500 entries refer to the completion date of a shell of a house. As such, the completion date is included in the generic table TVERTRAG_GEN as a generic attribute via the table TDEFGENATTR.
- Undergoes relatively frequent changes in structure, for example product-specific contract information.
- Is needed in the short term without changes to the data model.

In the latter case, one must consider whether or not a subsequent transition into "normal" tables is worthwhile. If attributes are needed in a certain version but implementation is impossible within the allotted time, then it is possible to temporarily persist such attributes in a generic table. With the next release, these attributes can be transitioned into the structured tables.

The diagram depicts only the main attributes. In the table TDEFGENATTR, which stands for Defining Data Generic Attribute, the attributes are controlled according to the available characteristics. This table belongs to the defining data.

Generic Table Structure



Generic Tables:

- Can be provided to any table and is used mainly for fundamental (e.g. TPERSON, TVERTRAG) and attributive (e.g. TVERVERTRAG) functional object tables
- Are associated to this entity in a one-to-many relationship
- Are part of the core Data Model but can be used in a customer-specific manner
- Allow for an extension with attributes in a one-to-one relation as well as in a one-to-many relation

Attributes of generic tables and their characteristics are defined through the entity DEFINITION_GENERIC_ATTRIBUTE (table. TDEFFGENATTR). The name of the generic table is derived from the table name with the suffix underscore GEN (*_GEN).

In general, a generic table consists of an attribute definition and an attribute content, such as an expiration date. To start with, the attribute definition has to be configured for e.g. TPERSON_GEN; it is then possible to use it in the TPERSON_GEN table. The documentation of the attribute description is stored in the table TGGRLDOKU.

In the table TPERSON_GEN the operational data can be persisted and every data entry gets a unique index per attribute description. If the whole data structure is deployed, a virtual table FINANCIAL_CONTR, of specifically defined attributes and the operational values of TPERSON_GEN is created.

The entity TGGRLDOKU holds descriptions of entries to defining data tables. The descriptions are written by the requester or business analyst. Via the domain application the description is recorded. The distribution of the content is not necessary and there is no test- or production status.

Within the definition of such an attribute, it is possible to add a subject area group such as e.g "FINANCIAL_CONTR". This in turn supports the generation of a virtual table in the data model.



Knowledge Check

Please describe three general ways to extend the data model

1. Attributes or tables that are useful for more than one ABS customers can be requested at the ABS Core.
2. The ABS customer can add customer-specific tables to the enterprise data model.
3. The use of generic tables which is available for functional object tables.

What are generic tables used for?

Generic tables are used for information that arise less frequently, that change from a structural point of view quite frequently, that are used because of a short-term need without changing the data model

Which postfix identifies a generic table?

The name of the generic table or also called generic table equals the table name of the functional object with the postfix "underscore GEN" (*_GEN")

 Definition		
<u>Person</u>	<u>Contract</u>	<u>Policy Holder</u>
<u>Functional Object</u>	<u>Coverage (TVERSVERTRAG)</u>	<u>Injured Party</u>
<u>Product</u>	<u>Defining Data</u>	<u>Claim</u>

Infrastructure and Deployment

Infrastructure and Deployment



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This card is about the data model's underlying infrastructure and how the data model is deployed.

Data Infrastructure

The batch service components consist of dedicated databases for the operational data and the defining data



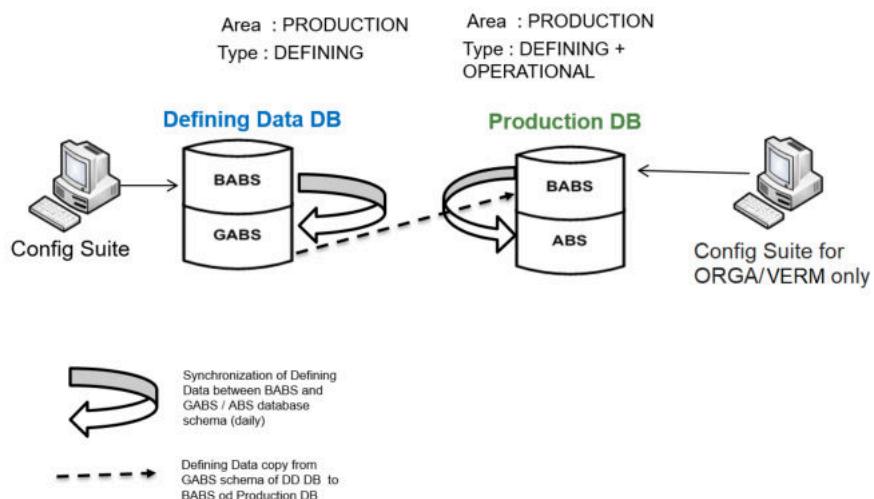
Operational database version 21.0 uses definition database version 21.0. It is possible within the ABS environment to control which ABS client version must use which operational database and defining database versions. This is achieved in the TVERSION table.



ABS Defining Data Deployment

The defining data database in the image below holds defining data only. The production database holds defining and operational data.

SPOR DESIGN PRINCIPLE FOR DD



The maintenance and deployment of the defining data is performed according to a single point of reference principle (SPOR).

Defining data like product, domains, text etc. are maintained in the **BABS schema** of a defining data database that is dedicated to defining data via the ABS Configuration Suite. The BABS schema is the working environment for ABS designers and the single point of reference. A synchronization program moves defining data from the BABS schema to the **GABS schema** which is the source for all test databases (not shown in the image).

After the application has been developed and is ready for production, the defining data is copied via a batch program from the GABS schema of the defining database to the BABS schema of the production database from where it is synchronized to the ABS schema which is the basis for ABS in production. The defining data area organizational model (Orga) and agent is maintained directly in the BABS schema of the production database via the ABS Configuration Suite.



Synchronization of Defining Data

The deployment and synchronization of defining data in ABS works as follows: The first step is to determine the delta information to be entered into the target database and to prevent unnecessary network traffic at the time of synchronization.



- The synchronization of defining data is possible for the entire environment and also for subsets of, e.g. a defining data area or a sub area. This is to ensure the highest possible data consistency.
- Synchronization can be manually triggered or scheduled for an automatic start by means of a data center scheduler.



Defining Data Maintenance Overview

Most of the defining data areas are maintained by means of the ABS Configuration Suite.

Additionally batch programs deliver some defining data areas, such as fund prices, address information directories, diagnostic values and bank directories. This chapter will focus on the defining data area maintained by ABS configuration suite, batches and DD Updater (SQL queries).

- **Responsibility:** In general, the particular ABS customer has responsibility for the maintenance of its respective defining data. Responsibility for synchronization and deployment of data lies with the respective database administrators and with the ABS Core Customer.

- **Maintenance location:** In general, maintenance of defining data is done in the defining data database. As an exception, maintenance of the defining data areas organizational model and agent is done in the ABS Configuration Suite, directly in the production environment.



Knowledge Check

What are the schemas of the defining data DB and operational DB in ABS Production and where does an ABS Designer update Product defining data?

BABS/GABS and BABS/ABS. The ABS designer updates the product defining data in the BABS schema of the DD DB.

Defining Data Maintenance in the ABS Configuration Suite

Defining Data Maintenance in the ABS Configuration Suite



The ABS Configuration Suite maintains defining data.

From a software point of view, ABS Configuration Suite is a standalone application. However, from an ABS standpoint, it is a fully integrated component of ABS provided by the ABS Core.

In the ABS Configuration Suite's main window, displayed below, you can see the tiles used to launch the various maintenance applications.

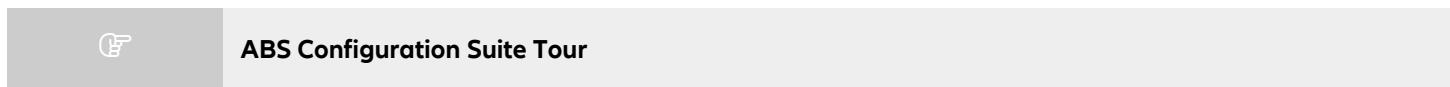
Depending on your user rights you can access all or only part of the areas.



- The organizational model application is used for the depiction and maintenance of organizational structures, user and rights management, as well as for workflow configuration.
- The commission fundamentals application is used for the configuration of commission models and schemes.
- The reinsurance application is used for the depiction of reinsurance portfolios.
- The concessions application is used for the depiction and configuration of sales campaigns.

- The defining data Updater is used for the synchronization and updating of the defining data databases as well as for import/export from/to excel and tracking of changes per SQL.
- The domain maintenance application is used for the modification and maintenance of domains and their respective values.
- The document assistant is used to maintain defining data for letter writing.

- The search tool is used for searches within the organization environment.
- In the product explorer (PEx) products, claim-related modeling (e.g. loss types, event types, etc) or questions are created and maintained.



The most important defining data environments are maintained in the ABS Configuration Suite.

This is a brief walk-through of the most important areas where defining data environment maintenance occurs in ABS. In the ABS Configuration Suite's main window, you can see the tiles used to launch the various maintenance applications. First let's take a look at the organizational model.

Organizational Model

The organizational model maintains employees, roles and locations by means of the top three tabs labeled Employee, Location and Role, along with the respective side tabs. The top tabs Location and organization unit are used for depicting the entire company structure. ABS workflow configuration is defined in the workflow tab. Here you define and configure Process Slips, Scheduled Tasks and the routing of business objects and documents.

Organizational Model - Employee Tab

A screenshot of the 'Employee' tab in the 'Organizational Model Management' application. The window title is 'Organizational Model Management <on DGINT205_BABS_-_INTERNATIONAL_ENVIRONMENT>'. The top menu bar includes 'File', 'Employee', 'Location', 'Role', 'Org.unit', 'Usage profile', 'Selection', 'Role group', 'Workflow', and 'Validation'. The 'Employee' tab is selected. Below the menu is a search criteria panel with fields for 'Surname' (with placeholder 'A4511'), 'First Name' (empty), 'User ID' (empty), 'Pers No.' (empty), and checkboxes for 'Expired' and 'Search' (disabled). The main area is titled 'Employee' and contains a table with columns: Name, User Id, Employee Number, Resignation Date, and Employment Status. The table is currently empty. At the bottom right are buttons for 'Copy', 'New', 'Import...', and 'Delete'.

Commission Tab

The next area in the ABS Configuration Suite is commission. The Commission Method enables the definition of commission methods. The calculation of an agent's commission is defined in the commission Scheme. The screenshot below shows the definition of different commission methods and their valid-from and valid-to dates.

The screenshot shows a software interface titled "CommDD Administration <on DGINT205_BABS_-_INTERNATIONAL_ENVIRONMENT>". The main window has a toolbar with icons for file operations like New, Open, Save, and Print. Below the toolbar, there are two tabs: "Commission method" (selected) and "Commission scheme". A sub-tab bar shows "List" selected. The main content area displays a table titled "Commission method". The table has columns for "Commission method", "Valid from", and "Valid to". The data in the table is as follows:

Commission method	Valid from	Valid to
AE-Neu	08/20/1996	12/31/9999
Allianz	04/18/1996	01/01/9999
Allianz Elementar 2004 (W3J)	11/10/2003	12/31/9999
Autohändler Einjährig	06/14/2006	12/31/9999
Autohändler Standard	06/14/2006	12/31/9999
AVBG	06/05/1996	12/31/9999
Elementar	06/05/1996	12/31/9999
Elementar (Tab=A-F+N1)	06/05/1996	12/31/9999
Elementar-BA-O-Nr.5	10/16/1996	12/31/9999
Elementar-Makler	10/16/1996	12/31/9999
Test	01/26/2015	12/30/9999

At the bottom of the table, there are navigation buttons for "Add" and "Remove". The status bar at the bottom left shows "A4511" and "V20.5.01b.93".

Domains

In the domains area domains and domain relations can be defined as well as the generic attributes which are used in the data model's generic tables. The screenshot shows the list of different domains and their characteristics. Domains, domain relations and generic attributes can be added, edited and deleted here.

The screenshot shows the 'Domains < on DGINT205_BABS_-INTERNATIONAL_ENVIRONMENT>' window. The top navigation bar includes 'File', 'Validations', and tabs for 'Domains', 'Domain relation', 'Generic attributes', and 'Generic Routing Attributes'. A filter input field is present. Below the tabs is a table with columns: Domain name, Objectname ..., Column, Length, Default, Type, Flag Core, and Flag mandatory. The table contains several rows of domain definitions. At the bottom of the table is a page number '1/3004' and buttons for 'Add', 'Show', and 'Delete'.

Domain name	Objectname ...	Column	Length	Default	Type	Flag Core	Flag mandatory
A24ZULASS...	DIREKTPOR...	ZULASSUNG...	3		V	G	false
ABEZ_PROV...	PROVSCHIC...	ANTEIL	8		V	G	false
ABEZ_PROV...	PROVSCHIC...	ZUORDNUNG	8		V	G	false
ABNPROVS...	PROVISION	KZABNPRO...	1		V	G	true
ABRINT	TGGKONTO	ABRINT	2		D	J	true
ABRVERF	TGGKONTO	ABRVERF	1		D	G	false
ABSCHLWA...	TVPROZFSC...	ABSCHLWA...	3		D	G	false
ABSCHLWA...	TGESCHMO...	ABSCHLWA...	3		D	G	false
ABSENZDA...	BETREUUNG	ABSENZDA...	1		V	G	true
ABWESENH...	TMITARBAB...	ABWHAEUF	1		D	G	true
ABWESENH...	TMITARBAB...	ABWESGRU...	2		D	G	false

1/3004 Add Show Delete

Domain value	Domain text	Dom value di...	Domain text exte...	Valid from	Valid to	Flag Core-Doma...	Sort
045	Linz		Linz	01/14/2010	12/31/9999	false	1
069	Graz			01/14/2010	12/31/9999	false	1
102	Wien			01/14/2010	12/31/9999	false	1

1/3 Add Show Delete

Product Explorer

The Product Explorer (PEX) is used to create and maintain insurance products to be used in ABS. The interface is divided into several areas: component explorer, structure explorer, component editor and structure editor. In the component explorer (top left) the tree structure depicts the actual product model components. Expanding the first element, product model components, displays possible product model components.

One of them is the core product data element, which contains the configured and therefore available Core products which are available in the ABS Core Client.

Insurance products, class products and product components can be defined and configured into a complete product for use in an ABS contract.

The screenshot shows the 'ProductExplorer on null ->BABS-' window. The interface includes a 'Components-Explorer' tree view, a 'Structure-Explorer' tree view, and a central 'Component-List (for sorting)' table.

- Components-Explorer:**
 - Allgemeine Versicherung
 - Allianz Austria Motor
 - Allianz Commercial Select
 - Allianz HOGAR
 - Allianz Körperschutz (CG)
 - Allianz Körperschutz M
 - All-in-one
 - All-in-one Private
 - Angerommernes Geschäft
 - Angerommernes Geschäft
 - Assignableproductcomponents
 - AWYC Product
 - AWYC Product Library
 - ETRS Interest
- Structure-Explorer:**
 - All-in-one Private
 - Cool fire
 - Utility
 - Piped water
 - Water
 - Glass breakage
 - Home all-risk
 - Art private
 - Art rental
 - Adm. household
 - Assistance
 - Electrical devices
 - Electrical devices 2004
 - Electrical devices minis
- Component-List (for sorting):**

Name
Annual right of cancellation after 3 years
Reefer cargo 1986 (Cond. 01)
Reefer cargo tariff 1970 (Cond. 02)
Reefer cargo 1971 (Cond. 03)
Reefer cargo 1977 (Cond. 04)
Reefer cargo (Cond. 05)
Last agreed (Cond. 50)
Last agreed (cond. 60)
Cond. 99
LT-ins. dist. non-life liability, accident protection
Reefer cargo insurance
General terms and conditions for reefer cargo insurance
Reefer cargo insurance



Definitions

PEX

Product

Commission Method

Employee

Location

Role

Process Slip

Scheduled Tasks

Person in The Context of Contract

Person Roles



The most important person role in context of contract is the **policy holder** (stored in TVNEHMER)

There are some other important roles. Check out the slider to know more.



Insured person

Which stores detailed information about the person in this role (TVERSPERS)



Payee

This is the person responsible for paying the premium for a contract.

For example, as a beneficiary or a creditor restricting transferability. The information is linked via attribute INKADR# in TPERSO / TVERTRAG



Registered Keeper

Is the owner of a car

Beneficiary

Is a person which is recipient of benefits

Creditor

Restricting transferability, which stores detailed information in TVINKGL



Definition

Beneficiary

Person in the Context of Claim

Person Roles



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In association with a claim, a person can take several roles, for example, as both an injured person and policy holder.

- In the role of a payee, it is necessary to regard the certain person roles for the correct payment transaction.
For example, as a beneficiary or a creditor restricting transferability.
- A person in a claim can also take the role of the injured person. The injured person is a person unknown at the time that the contract is written or composed.
The injured person has a claim, which has to be compensated by the policy holder.
- A person can also take the role in the context of a claim as the initiator or guilty person.
The initiator is a person who culpably, with intent or negligently, has caused harm to somebody, for example the policyholder.
- A person in a claim can also be any other involved person. If necessary, other person roles can be defined in ABS, for example, a lawyer or an expert.

Persistence (optional)

Person Roles

OPTIONAL TOPIC

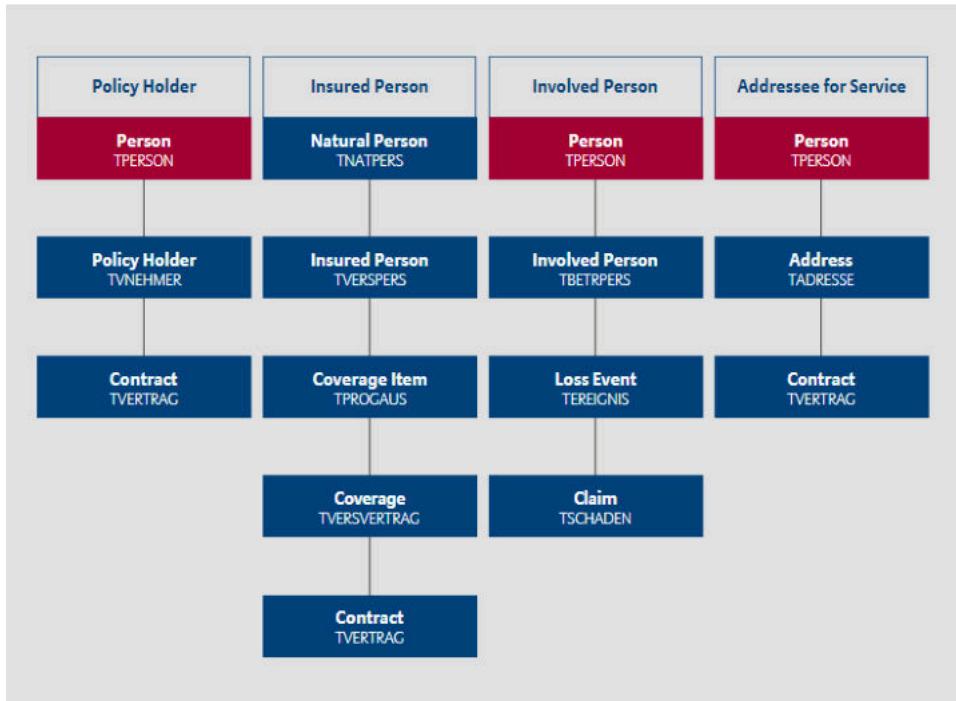


The following illustration shows examples how the different person roles are persisted in the ABS data model:

A policyholder's data is stored in the entities: person, policyholder and contract.

In these entities, the following attributes are important:

- The **policyholder flag** is a performance flag that identifies a person as a policyholder. The information about the primary policyholder is persisted in the primary policyholder flag.
- The **data of an insured person** is stored in the entities natural person, insured person, coverage item, coverage and contract.



Also here, some attributes are particularly important.

- The attribute **risk group** contains the information about the risk categorization of the insured person.
- The institution number for a certain social insurer is persisted in the attribute **social insurance institution**.
- The data of an involved person is stored in the entities **person, involved person, loss event and claim**. Here the attributes Involved person role 1 to 5 contain the information about the person's role in ABS, such as the injured person, witness, liable party, lawyer, etc.
- The data for an addressee for service is stored in the entities **person, address and contract**.
- Through the foreign key address for service of the contract entity there is a relationship between contract and address, which contains information about the mailing address recipient.

Special Person Roles

Person Roles



There are three special person roles in ABS: **employee, agent and business partner**.

Employee

All users of ABS must be defined as employees in the defining data (TMITARBEITER_DEF).

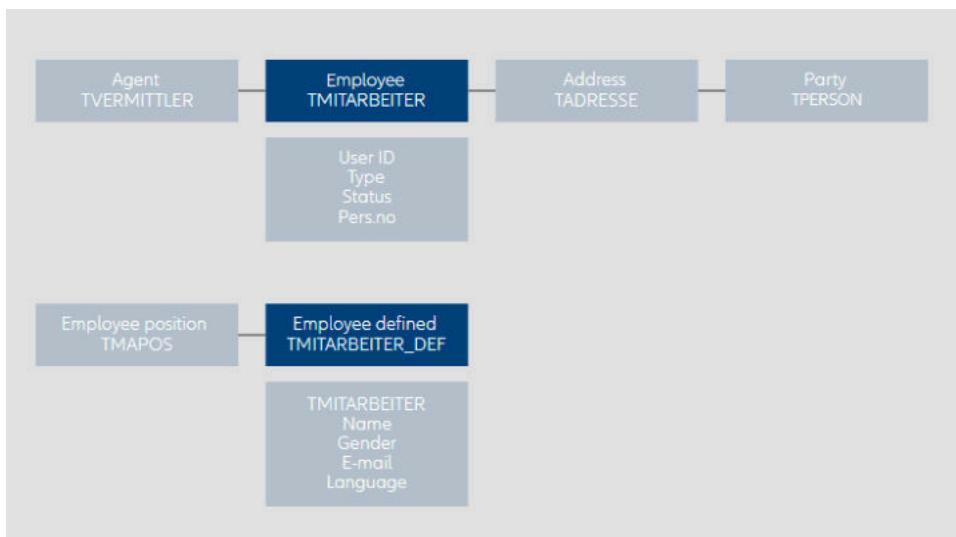
Agent

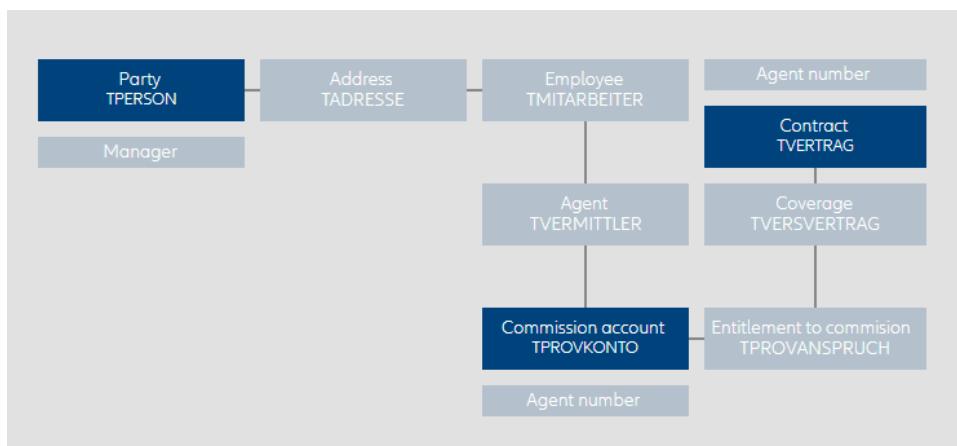
In ABS agents are employees, allocated within the sales hierarchy. Agents additionally need to be created in the operational data (to create the commission accounts). The user ID is the connection between defining and operational data.

When creating a person, the agent can be entered as account manager. Agent management data is maintained in the person file and the commission is also processed in person. The account manager assumes the overall responsibility for taking care of the person.

If a person has an account manager, this agent is taken over when creating a contract as contract manager, otherwise a contract manager must be entered. When creating a coverage, the existing contract manager is automatically entered as the commission agent.

- The agent management data is used to record and register details about the account and contract managers, commissioning and for the distribution of data, for example to a sales force laptop.
- In agent management the relevant data for agents is registered, such as agent type, discount class, etc., and can be edited in party management.
- The connection between agent, account manager and contract manager is handled via the agent number: TPERSON.BETREUER = TVERTRAG.WERBERNR = TPROVKONTO.WERBERNR





Additional Functions of Commission

- Each agent has one or more commission accounts. To determine the payment of commissions, the person file accesses the agent's bank account data of the person. In this context, the management of bank accounts plays a vital role. In ABS you can set at least one bank account for each agent account in order to be able to pay the commissions to the sales representative.
- Agent groups or agent teams. Agents can be allocated to groups but this has no impact on ABS functions. Or they can be put together in teams, which is relevant for data distribution and commission payment.
- You can set a certain sales hierarchy for the agent's existing sales unit. This means providing information about the location sales unit, sales center or sales area.

Person-related commission information is distributed to the following entities:

- Person, which holds the agent number.
- Address, which holds the address.
- Employee, which holds the personal number and the user ID.
- Agent, which holds the discount class, service priority, synchronization date and the agent type.
- Commission account, which holds the balance, the due date, the payment frequency and the payment method.



Business Partner

The type of business partner determines possible functions within ABS. In the business partner function, persons can be set as business partners of the insurance company. These are persons or companies that have a direct business relationship with the insurance company. Business partners can be a hospital, a repair shop or even other insurance companies.

Within the different tables there is specific information about the business partner type stored, e.g. in the following table.

Legal person file [Mercedes-Benz of Chicago Service Center Inc.] <on DTINT01>

File Debug Edit Extras Window ?

Mercedes-Benz of Chicago Service Center Inc.
HO, USA-60642 Chicago, W Division Street 1111
Premium:00 Benefit:00

English, K
TabletAgent (3190333, Dir.: 1) AD

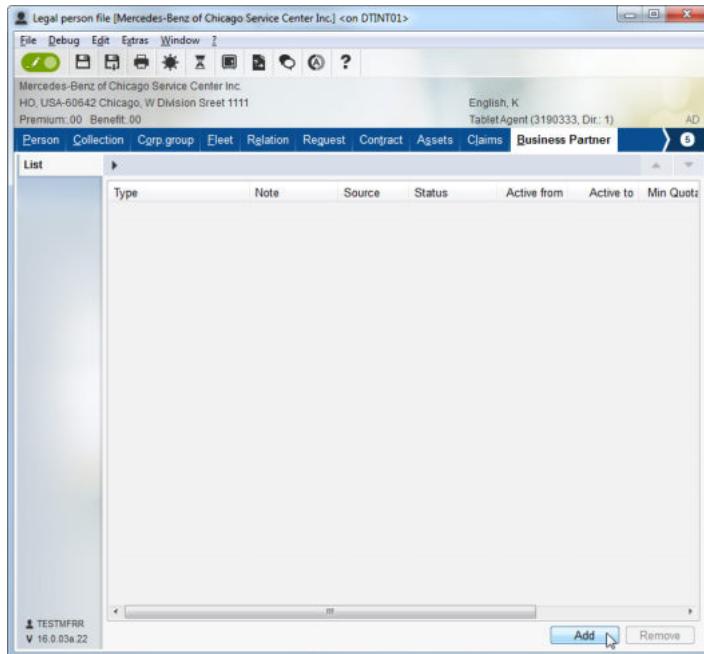
Person Collection Corp.group Fleet Relation Request Contract Assets Claims Business Partner 5

Mercedes-Benz of Chicago Service Center Inc., USA-60642 Chicago, W Division Street 1111

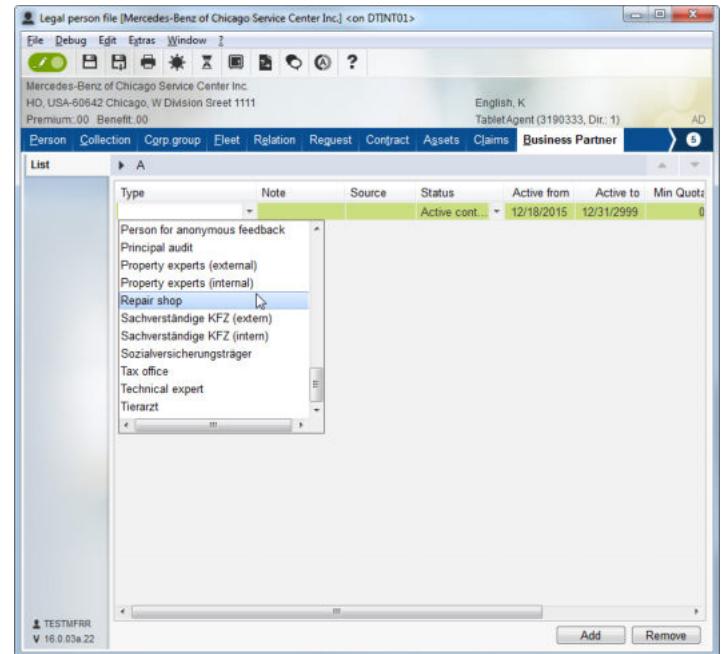
Master data					
Description	Company name: Mercedes-Benz of Chicago Service Center	Form: Inc.			
Addition	Reg. comp.name:	No.:			
Bank/CA	Occupancy: Repair shop	Short name:	Register court:		
Data privacy	Acc.mgr.: 3190333	Allocate...	VAT-IDNo.:		
Segments	Identification No.:				
Marketing	Addresses				
Documents	HO, USA-60642 Chicago, W Division Street 1111				
Comment	MI: industry				
Sch.task agrmnt	<input checked="" type="checkbox"/> Other sector				
Concession	Add Remove				
Customer info					
Expectation					
Corp.client					
CC/Contacts					
Partner info					
Feedback					
Employee					
BO-activ.					
	Communication data				
	Commtyp: E-mail	Number/Address: office@mercedes-c...	Type: Official	Preferred: <input type="checkbox"/>	View Add... Remove @
	Additional data			SSI-No. employer	
	Balance date: 01/01/0001	Bal.sheet total: 0 (million)	Equipment: 0 (million)	SSNo.	
	Foundation: 01/01/0001	Payroll: 0	Revenue: 0 (thousand)		
	Closure: 01/01/0001	Numbempl.: 0	Europe exp.: 0 %		
	Emp.No.:	Tax rate: .00	Overseas exp.: 0 %	Add Remove	

TESTMFR 2
V 16.0.03a.22

The person file of the Mercedes repair shop in Springfield is already open. Click the top-tab business partner.

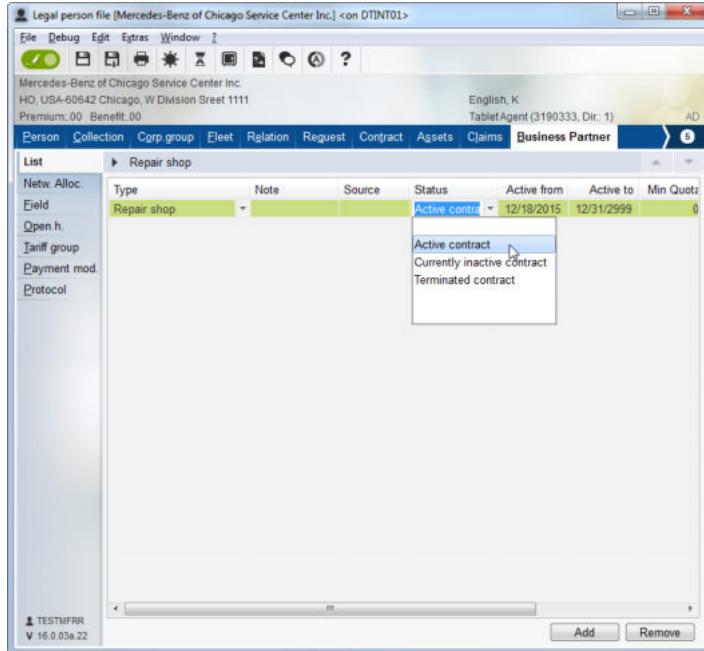


To define a legal or a natural person in ABS as an Allianz business partner, click the add button.



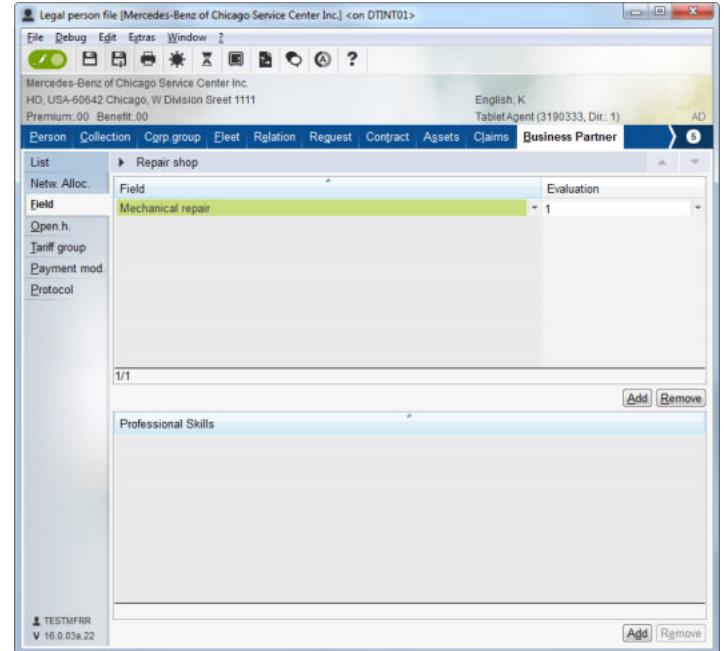
In the type drop-down list, select the type of business partner. This can be a repair shop, a bank, a doctor, an expert, etc.

A legal person can also have more than one business partner entry, for example, a repair shop and vehicle expert.

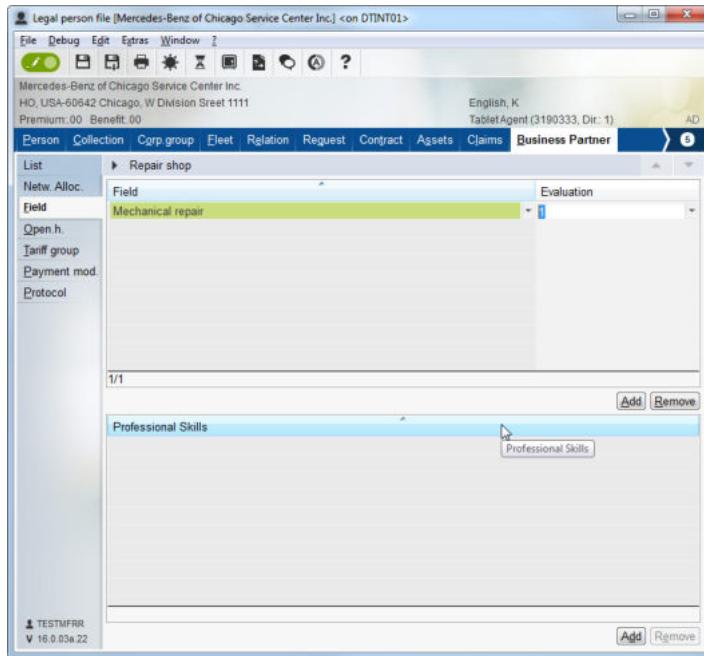


The status drop-down list shows whether or not the contract with the business partner is active. The active to/active from fields to the right of this status show the dates of the status.

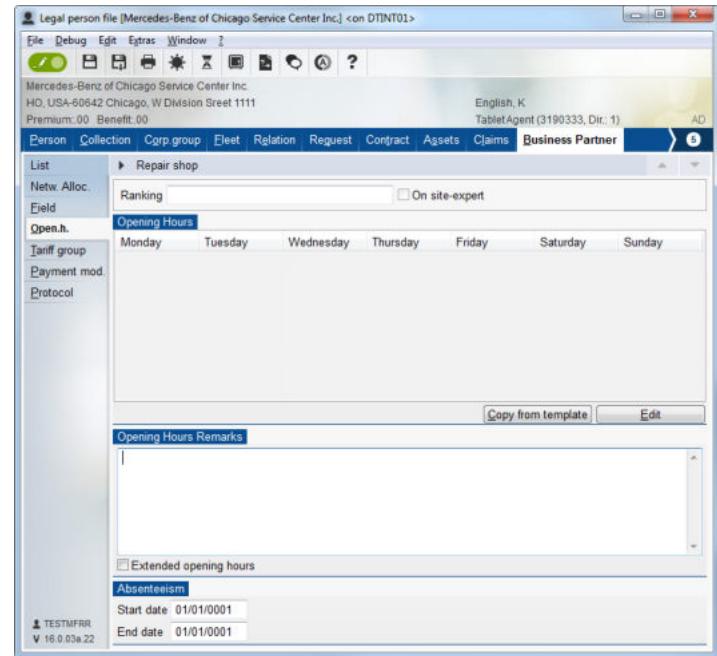
If the business partner is assigned to a partner network, you see this information in the network allocation side-tab.



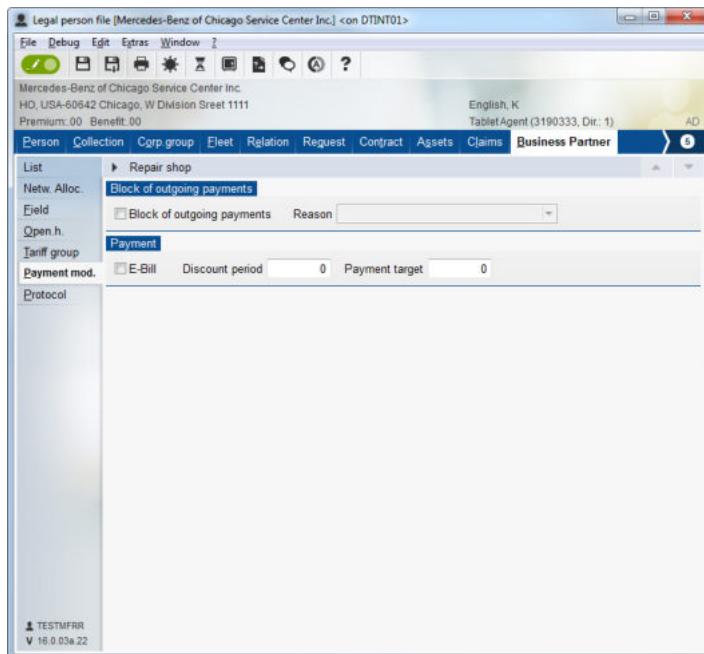
Here you can select the specific field in which the partner is active, in this case mechanical repair. At the top right, you can select a business partner evaluation. For example, 1 means "Very good."



In the next block, professional skills, you can set the special skills that the business partner provides. Click the add button and from the drop-down list, select the value glass repair.



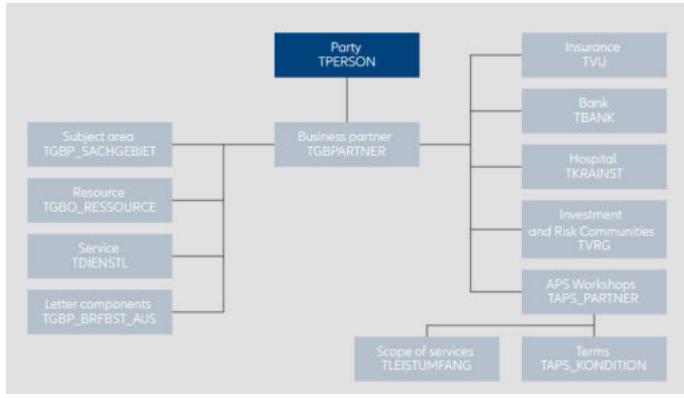
Click the next side-tab, opening hours, where you can enter the opening hours as well as an absenteeism period.



In the payment mode side-tab, you can block outgoing payments, such as compensation payments in a claim when, for example, the business partner is insolvent.

Data Model Business Partner (optional):

Within the different tables there is specific information about the business partner type stored, e.g. in the following table.
* Drag the slider to view the images.



	Insurance	Repair Shop	Hospital
General	<ul style="list-style-type: none"> ■ Field ■ Opening hours ■ Sales area assignment 	<ul style="list-style-type: none"> ■ Letter components ■ Field ■ Opening hours ■ Sales area assignment ■ Terms 	<ul style="list-style-type: none"> ■ Field ■ Opening hours
Details	<ul style="list-style-type: none"> ■ Company type ■ Collective settlement ■ Split agreement 	<ul style="list-style-type: none"> ■ Scope of services ■ Contents 	<ul style="list-style-type: none"> ■ Carrier ■ Hospital type ■ Service type ■ Number of beds



Definitions

Agents

Table

Employee

Commission

Collection and Disbursement

Contexts of Person



Within the context of collection and disbursement, in the person file you can manage accounts and payment information related to a specific person.

ABS supports the definition of default collection and disbursement variants, which are then used as the standard for contracts or claims. You also have the option to apply general collection to all existing contracts.



The following are some functions that ABS supports for processing collection and disbursement:

- A personal overview of premiums and benefit payments
- Bank account: the management of domestic and foreign bank accounts used for collection and disbursement
- For customers with more than one contract, there is an option for a collective settlement via a customer account
- An employee account represents the collected presentation for pension-fund and staff-provision contracts
- A non-classifiable payments account (NCP) holds non-classifiable customer payments, which can be rebooked via the person file

Person-related collection and disbursement information is distributed to the following entities:

Person

which holds the collection address and the collection bank account

The Bank Account

which holds the disbursement flag, the account number, the bank code and also the information for international bank accounts like SWIFT and IBAN

General collection is the default setting when creating a new contract. When converting general collection, all existing contracts with the previously set collection type are changed. The user is notified and must confirm the change of the setting for all contracts.

General disbursement is the default setting for the payment of all open and future claims. Only one bank account can be provided.

With the function bank account management you can additionally create new bank accounts or edit or delete existing bank accounts. In general, however, the bank account function allows the documentation of the domestic and foreign bank accounts of a certain person. In the bank register you can enter the bank name and bank identification code (BIC).

Demo

The video is not available in the print version.

Further Reading

[Collection & Disbursement](#)



Product

The way a product is selected or chosen is based on the analysis results of the information about a given person. The person-relevant data therefore plays a role in the design of the product, as is also the case with product selection.

- Default values can be set in product selection, for example, in consideration of the person target group.
- Customer evaluation can also be considered in the allocation of special discounts.
- In addition, sales campaigns can be defined for selected customers.

Further Reading

[Product](#)



Organizational Model

The level of authorization and the linking of roles are defined in the organizational model.

- A person can be an employee. For each and every employee of an insurance company, additional data is recorded. This includes, for example, user ID or date of entry.
- In ABS you can assign a particular person to a specific location. Employees are integrated into the organizational structure by assigning the particular person to a specific location.
- In sales hierarchy, agents are classified in the organizational structure.



Authorization to different areas of the system are managed through roles. Employees receive authorizations by assigning the person to appropriate roles according to the user's location.

Further Reading

[Organization Model](#)

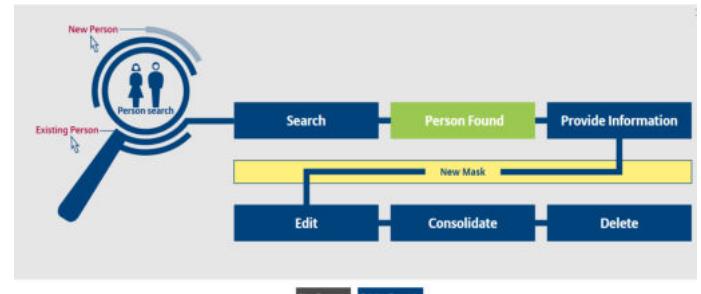
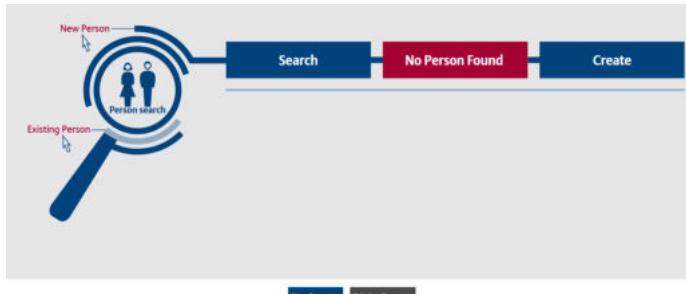
Personal Data Management

Party Data Management



If you cannot find the person you're searching for, you can **create a new business object of type of person**, as the graphic below shows.

Drag the slider in the middle to understand both options.



After finding the person, the information about the specific person is provided. If needed, you can edit the data.

- If two person objects refer to the same natural or legal person, you can consolidate them.
- Should you no longer need a person object, you can delete it.

To search for a person, you need at least two search criteria: search file or branch out. Once you create a person's data it is stored in the search function and you don't need to enter it again.

The following illustration shows the menu details about the **handling options of personal data management (optional)**:

The following illustration shows the menu details about the handling options of personal data management (optional):

Edit Person	Documents	Branch Out	Miscellaneous
Search	Mail <ul style="list-style-type: none"> ■ Sales ■ Individual 	Opportunity to branch out into other files, i.e. <ul style="list-style-type: none"> ■ Feedback ■ Contract ■ Agent 	<ul style="list-style-type: none"> ■ Sales hierarchy ■ Roles ■ What is new? ■ Help
Change	E-Mail		
Save	Print, i.e. <ul style="list-style-type: none"> ■ Authorization ■ Coverage 		
Close			
Consolidate			
Delete			



Consolidation of Person Records

The consolidation of person records and their deletion is only possible in batch. It can be triggered by ABS Core through human input, but the physical data manipulation takes place in batch.

Though it is not possible to delete a person directly, the deletion flag in the menu entry 'edit' can be set. Afterwards a batch program checks if the person can be deleted and if possible, the person gets deleted.

	Consolidate	Delete
ABS (User)	Launch Via Menu	Set Delete Flag
Host (Server)	Consolidation of Person Records	Delete Relations/Delete Entry

When you need to delete a person, you set the delete flag in ABS, and the batch deletes the relations to comply with the referential integrity of the system. The batch then deletes the person data from the database.

Because the person is often used as a reference target, extensive checks are necessary before the manipulation or deletion occurs. Many links need to be changed during the consolidation process with another person.

! **It is therefore imperative to avoid any duplicating by executing the person search before you create a new party in ABS each time.**

Communication

Party Data Management



In ABS Core, person-related communication information is distributed to the following entities:



Address

Includes street, street number, location reference, and postal code

Person

Records the form of address

Communication

Records communication type, the code, source, and priority

Communication Use

Records the communication purposes

66

In the communication data in ABS you can persist the different communication channels between a person and the insurance company.

- You can allocate a personal salutation with, for example, variables and differentiations. Or enter contact information such as telephone number, fax or email.
- You can also add a purpose to the communication information such as private, business, newsletter, etc., and store this information as free text.
- You can enter address data supported by the city and street directory. Addresses can be changed directly by the user or there can be set a flag for an address change in the future:

- Flag is set by the ABS user and new address is entered
- Only one address remark in the future can be defined
- The change takes place on the defined date
- The change is executed by batch which processes the corresponding scheduled task 'ADRVO'
- Entered address remarks can be changed or deleted before processing by batch

Relations

Party Data Management



In this section you will learn about the **relation function**, and how it is possible to link a relationship between a natural and a legal person.



Relations

Connections between persons can be mapped. Generally, the connection is made between a natural and a legal person.

Here the connection is made between TPERSON and TBEZUG. A relationship can be necessary to store information that a certain person is, for example, an employee in a certain company.

Other examples include being a member, shareholder, manager, contact person, lawyer, etc. One direction of the relationship is selected; the other then follows automatically.



Household

Each natural person is assigned to a household. Where two or more natural person have the same address and the same account manager they can be pooled together into a household. Additional persons can be added to this household.

In the case of any differences, the address and account manager of the person are adapted automatically.

The video is not available in the print version.

The grouping of persons into a household helps to identify the sales potential and is persisted in the data model via THHALT. The household entity stores the person role, the household income and, for example, the number of vehicles a household has. Only natural persons can be assigned to a household.

It is distributed to the following entities:

- **Person**, which holds the person information.
- **Natural person**, which holds specific information about the legal person.
- **Household**, which holds information about household income, number of members, number of children and number of vehicles



Corporate Group Relation

Compared to the household for a natural person, in ABS, legal persons can also have a relation to each other, which is called corporate group relations.

For legal persons, corporate group structures can be mapped to include co-insurance relations. Based on the selected person, the highest-order (holding) company, the parent companies and any subsidiaries are displayed. Legal persons can be presented together with the holding and parent company.

It is distributed to the following entities:

- **Person**, which holds the person information.
- **Legal person**, which holds specific information about the legal person.
- **Corporate group membership**, which holds information about holding, or a subsidiary or the percentage value of sharing.

Annual premium and volume of benefit payments are presented in ABS. To get the correct annual premium of a corporate group, the structure of the company has to be defined correctly.

Segmentation (optional)

Party Data Management

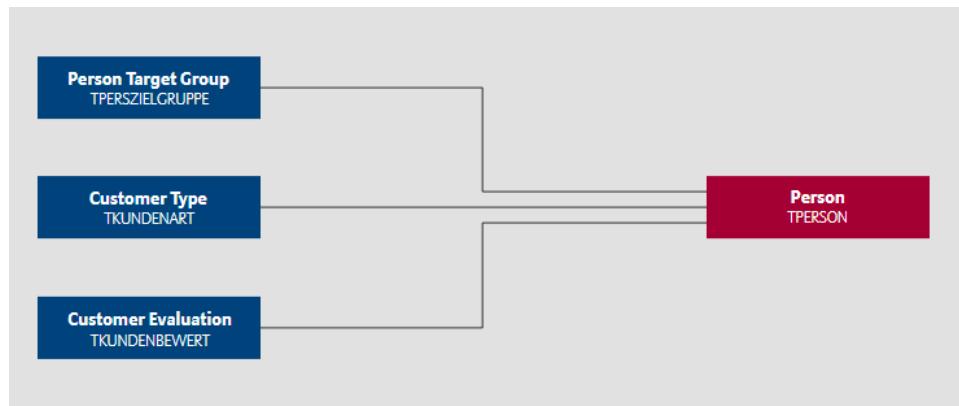
OPTIONAL TOPIC

Please note that optional contents are not relevant for the final ABS Certification exam.



In personal data management you can differentiate persons into specific segments:..

Person-related customer segmentation information is distributed to the following entities:



- **Person:** includes the business field
- **Person target group:** persons can be divided into target groups, for example single/couple or 60+. Product selection or module default can be defined here depending on the target group
- **Customer type:** persons can be divided into several customer types using a valid-from and valid-until dates
- **Customer evaluation:** here you enter the valuation type and the valuation.

ABS allows for customer groups. Each person is assigned to a customer group in TPERSON, for example, a customer such as an industrial company or private customer for different marketing, or a small business.

The target groups include family or youth for product selections or various pre-allocations.

In customer type you can specify such things as the valuation of the customer or excluding them from direct mailings. External tools can also calculate customer loyalty to determine whether other business can be generated with them.

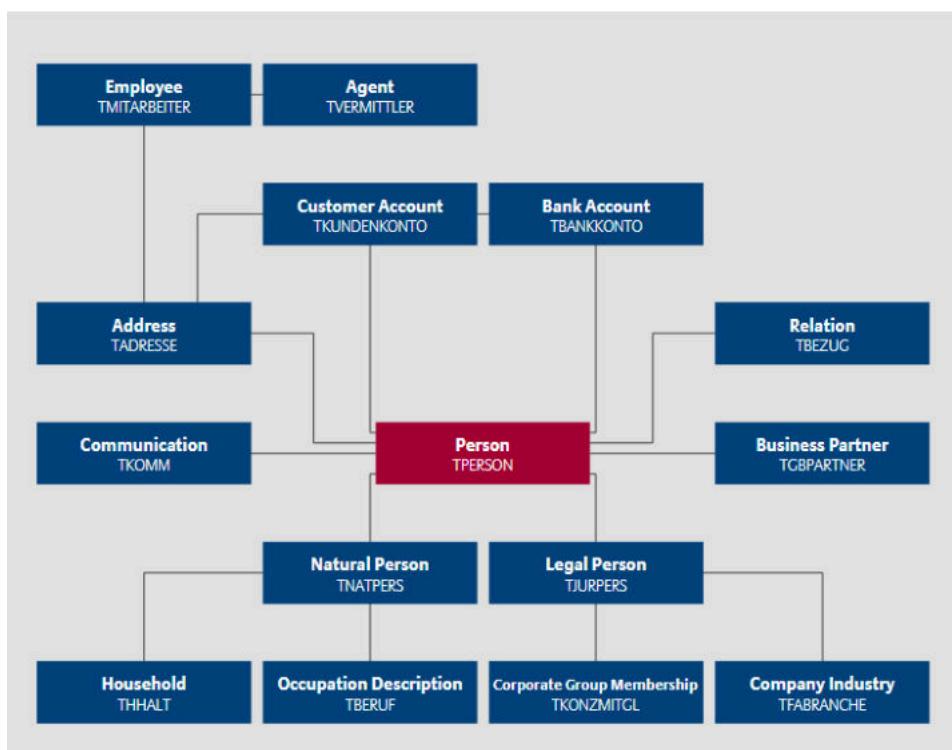
Person Entities

Party Data Management



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Information relevant to the person is stored in different entities.



In this diagram, the central entity of person is shown within the **enterprise data model**.

Person contains the core functional object person's data. The data stored here includes account or contract manager, type of address, number of contracts, annual premium, annual benefit payment, business area, web user ID, etc.

Derived from the person entity are the entities **natural** person and **legal** person.

- Here, natural person contains attributes such as name, date of birth, gender, profession, etc. legal person contains attributes like company name, the legal form, the object of company, revenue, etc.
- Household and occupation description are attached to the entity natural person. Attached to legal person are entities corporate group membership and company industry.
- The person entity is directly related to the entities communication, business partner and relation. It is also directly related to the entities bank account, customer account and address. An address can only be deleted if it is not the principal residence or collection address.



Definitions

Household

What is a Business Process Status?

Business Process Status



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The business process status of an application is an indicator describing how far the business object has come in the business object handling process.

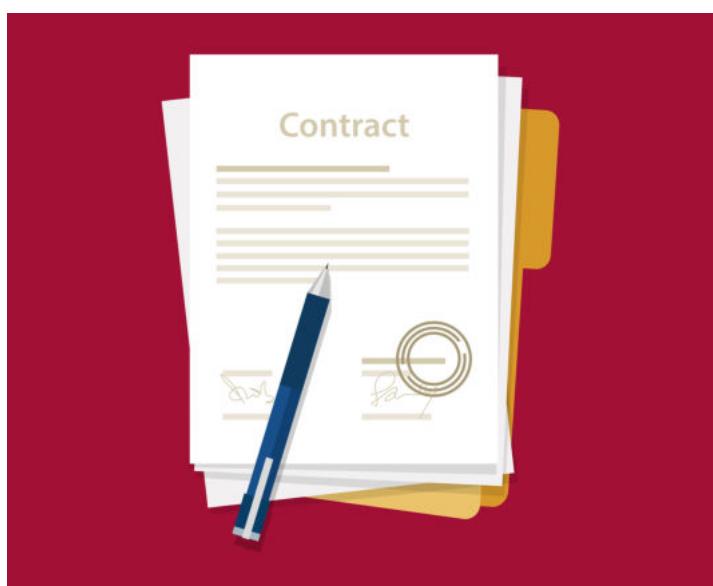


- Business object handling can be executed through a series of process steps by several clerks. The business process status may depend on certain user privileges, the actual status, or information that remains missing.
- In the following chapters, the business process status has been divided into automatically and manually set values.

cf

Automatically Set Business Process Status for Applications

A quote always has the status of **work in progress**. For the processing of quotes, ABS allows for quote forwarding, whereby a scheduled task is created when saved and the initiating user sets the corresponding role.



- A contract can have the business process status of **completed** or **pending**.
- The status **pending** is similar to **work in progress**, but differs in that it is a contract in phase 3.
- The status **pending** is used in case of non-technical amendments which have not undergone post-processing yet.
- The status **completed** refers to a valid contract which has undergone post-processing

Check the slider below to read more. The domain value of each status of an **application** is shown in the [square brackets].

Work in Progress [U]:

This status is initially set by ABS when a quote is created and subsequently forwarded in anticipation of transitioning to an application. Furthermore, a scheduled task with the title - **work in progress at a clerk** - is created and the corresponding role is set to enable the application to be processed by any user with that role or higher.

The status remains - **valid** - until the application is forwarded for policy processing; alternatively, the user manually selects another business process status upon forwarding the business object.

For Approval [G]:

This status is automatically set when creating an open process slip for an application. It is - **valid** - for functional, technical or individual process slips. These applications are then routed to the designated clerks based on the routing criteria and rules that have been provided.

In the event that such an open process slip is declined, a follow-up scheduled task entitled - **follow up at the applicant** - is automatically generated. This is routed to the clerk who created the application.

The business process status then becomes - **follow up** -.

Complete [F]:

This status is automatically set when the application is forwarded for policy processing while waiting to be post-processed.

Completed [E]:

This status is automatically set when the application has been successfully policy-processed and a valid contract has been created. This status represents the end of policy processing on.



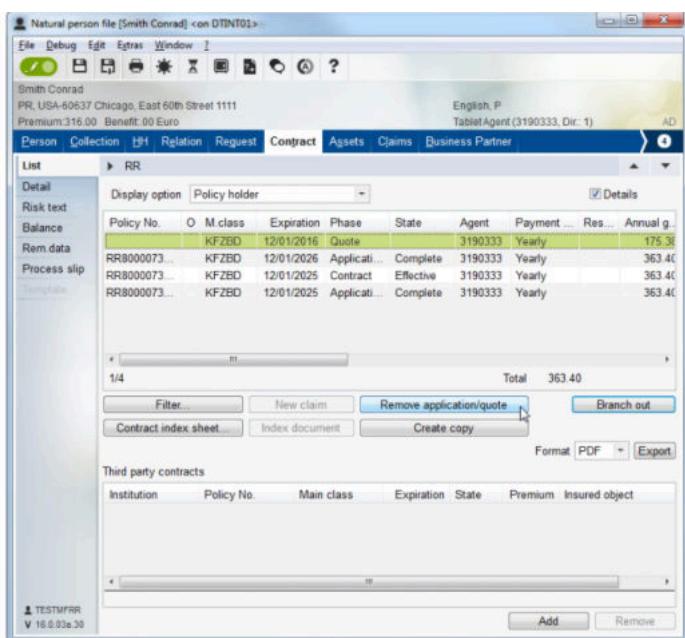
Manually Set Business Process Status for Applications

These are the manually set business process status for applications.

- **Follow Up [V]:** this status can either be selected manually upon forwarding the business object, or can be set automatically by ABS when a process slip is declined. A follow-up scheduled task entitled "follow up at the applicant" is then automatically generated and routed to the clerk who created the application. The business process status becomes "follow up."
- **Wait for Document [T]:** this status can be manually selected when forwarding the business object for policy processing. Functional reasons for its selection could be, for example, that important information or documents, required for successful processing of a business object, are missing. In such a case, setting this status results in the automatic creation of a scheduled task entitled "waiting for document or information." This business object pops up again after 14 days in the same clerk's work list for further processing.
- **Laid Aside [W]:** this status can also be manually selected upon forwarding the business object to policy processing. Applications with this status do not show up in any work list. The difference between such an application and one that has been declined is that applications that have been laid aside are still eligible for reprocessing. As with declined applications, laid aside applications are automatically removed from the database on a periodic basis by means of particular database clean-up jobs in the batch.
- **Functional Object Considered as Deleted [L]:** clerks cannot manually mark applications for deletion in the contract file. This is only possible in the person file in the top-tab contract/side-tab list.

- **Declined [A]:** this status can be manually selected upon forwarding the business object. The application cannot be reprocessed or post-processed. A new application would be necessary to continue this case. Based on certain functional rules, declined applications are automatically removed from the database on a periodic basis by means of particular database clean-up jobs in the batch.

On the top-tab contract and side-tab list, quotes and applications can be marked for deletion if certain functional constellations are given. Nevertheless, the **following functional constellations exclude the deletion of applications:**



- If the business object is locked
- If there is an open scheduled task for documents
- If the user does not have the appropriate authorisation
- If there is a previously existing contract expenditure account

However, ABS can automatically mark applications for deletion during post-processing based on certain functional rules.

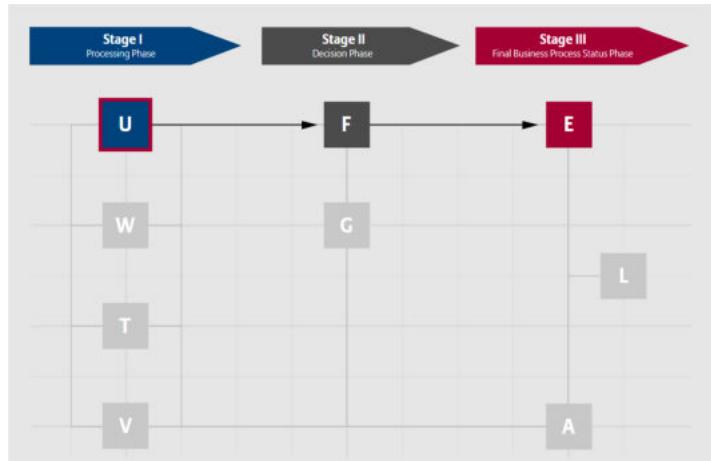
If a quote, application or contract is marked for deletion, the functional object becomes unavailable in the ABS Rich Client. However the actual deletion occurs in accordance with the aforementioned periodic database clean-up jobs at the host.

ABS also supports the **individual submission of applications**. This means that the application can be forwarded to another clerk for approval. In such a case, the business process status is set to "for approval" and a process slip is created. At this point, the forwarding clerk must enter a description and reason for forwarding the business object to another user. The clerk is also required to enter a destination role, to which the business object shall be forwarded.



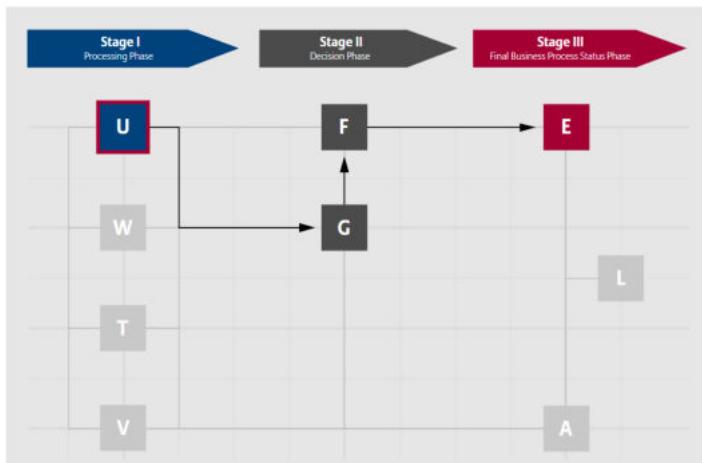
Use Cases for Business Process Status

Go through the slider and check each use case and then review the business process status values to better understand these workflows. The domain values are shown in the [square brackets].



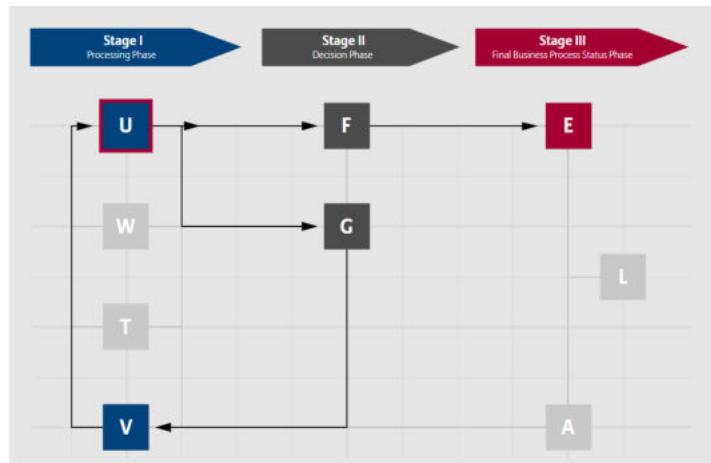
Use Case 1 [U-F-E]:

The customer agrees on an insurance product with his agent, a quote and subsequently an application is created. The application is successfully policy-processed and a valid contract is created.



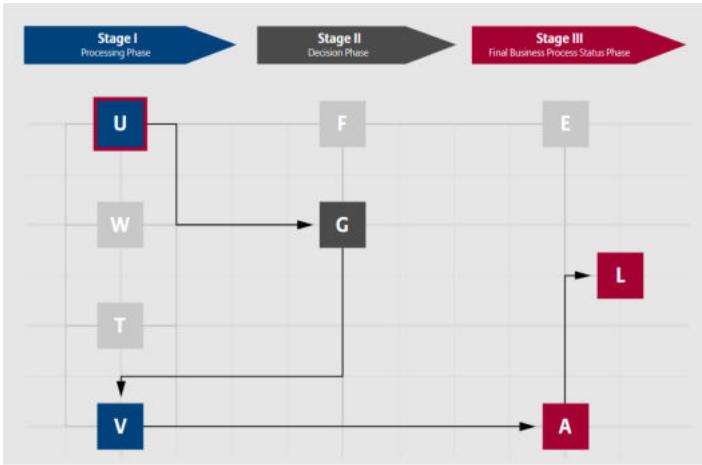
Use Case 2 [U-G-F-E]:

The customer agrees on an insurance product with his agent, a quote and subsequently an application is created. The business object gets escalated due to the high discount granted. The discount gets approved. The application is successfully policy-processed and a valid contract is created.



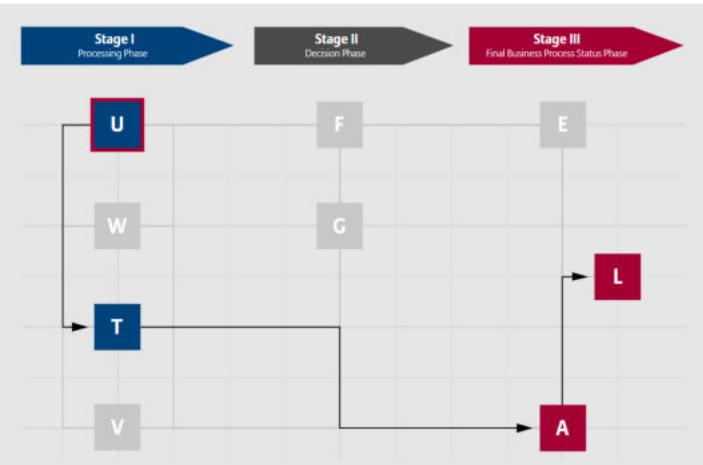
Use Case 3 [U-G-V-U-F-E]:

The customer agrees on an insurance product with his agent. The agent submits the application; it gets escalated due to the high discount granted. The discount has to be reduced; the customer accepts the new price of the quote and subsequently an application is created. The application is successfully policy-processed and a valid contract is created.



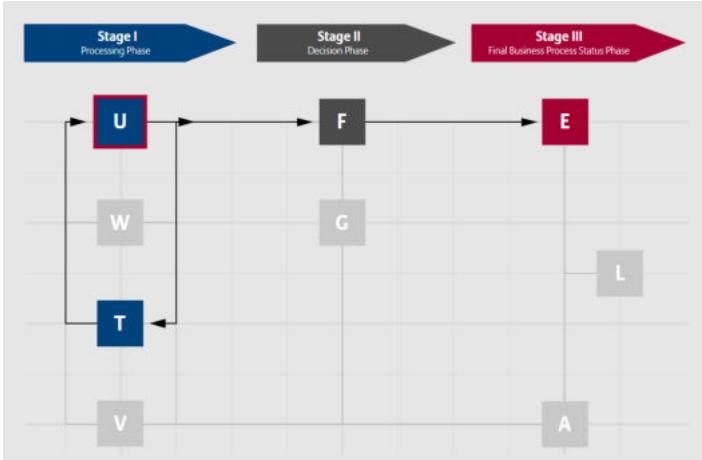
Use Case 4 [U-G-V-A-L]:

The customer agrees on an insurance product with his agent. The agent submits the application; it gets escalated due to the high discount granted. The discount has to be reduced. The customer does not accept the new price. Therefore, the application is declined and marked for deletion.



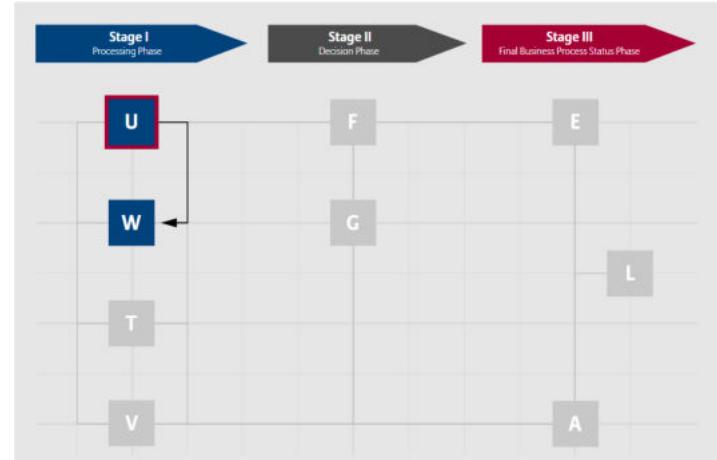
Use Case 5 [U-T-A-L]:

The customer agrees on an insurance product with his agent. Important documents, required for successful processing of a business object, are missing. After several months, the documents have not arrived. Due to internal policies, the Application is declined and marked for deletion, since essential data is missing.



Use Case 6 [U-T-U-F-E]:

The customer agrees on an insurance product with his agent. Important documents, required for successful processing of a business object, are missing. After several weeks the documents are delivered and attached to the business object. Then the application is approved and the policy documents are issued.



Use Case 7 [U-W]:

The customer agrees on an insurance product with his agent. The customer then decides not to apply for the contract right now and asks the agent to save the application in case he changes his mind. The application is saved with the business process status of laid aside.

Now reproduce the correct steps for each of the two interactive exercises by selecting the desired exercise and then going through the steps in the use cases in the proper sequence.

Interactive Exercise 1

The Allianz agent, Stanley Higgins, closes a new motor liability insurance policy with Conrad Smith, granting a **60%** discount. The application is escalated, as the discount is higher than Stanley's discount limit of 45%. The responsible escalation clerk declines the process slip and requires Stanley to reduce the discount. Stanley contacts Conrad to explain that the maximum discount is 45%.

As Conrad is a longstanding Allianz customer and knows that Stanley has always kept him well informed, he accepts the updated tariff conditions. Stanley sends the application for policy processing and a contract is created.

Interactive Exercise 2

Stanley Higgins files an application for household insurance with Wanda Smith. Before sending the application for policy processing, Wanda will need to provide a few additional documents. As Wanda has not sent them for three months, the application is declined and marked for deletion.



Knowledge Check

Explain the differences between business process status values "complete" & "completed".

The status "completed" refers to a valid contract, which has undergone post-processing. This status "complete" is automatically set when the application is forwarded for policy processing while waiting to be post-processed.

What is the differences between business process status values "pending" & "work in progress"?

The status "pending" is similar to "work in progress," but differs in that it is a contract in phase 3, meaning that it has not undergone post-processing. "Work in progress" is used in quote or application stage.

Name & explain the manually-set up process status values.

Follow Up ([V])

This status can either be selected manually upon forwarding the business object, or can be set automatically by ABS when a process slip is declined. A follow-up scheduled task entitled "follow up at the applicant" is then automatically generated and routed to the clerk who created the application. The business process status becomes "follow up."

Wait for Document ([T])

This status can be manually selected when forwarding the business object for policy-processing. Functional reasons for its selection could be, for example, that important information or documents, required for successful processing of a business object, are missing. In such a case, setting this status results in the automatic creation of a scheduled task entitled "waiting for document or information." This business object pops up again after 14 days in the same clerk's work list for further processing.

Declined ([A])

This status can be manually selected upon forwarding the business object. The application cannot be reprocessed or post-processed. A new application would be necessary to continue this case. Based on certain functional rules, declined applications are automatically removed from the database on a periodic basis by means of particular database clean-up jobs at the host.

Laid Aside ([W])

This status can also be manually selected upon forwarding the business object to policy-processing. Applications with this status do not show up in any work list. The difference between such an application and one that has been declined is that applications that have

been laid aside are still eligible for reprocessing. As with declined applications, laid aside applications are automatically removed from the database on a periodic basis by means of particular database clean-up jobs at the host.

Functional Object Considered as Deleted ([L])

Clerks cannot manually mark applications for deletion in the contract file. This is only possible in the person file in the top-tab contract/side-tab list.

Explain the business process status "wait for document". On which top-tab and side-tab can the user select this status?

This status can be manually selected when forwarding the business object for policy-processing. Functional reasons for its selection could be, for example, that important information or documents, required for successful processing of a business object, are missing. In such a case, setting this status results in the automatic creation of a scheduled task entitled "waiting for document or information." This business object pops up again after 14 days in the same clerk's work list for further processing.

The business process status can be selected on the tab contract, side-tab activity control.

What is the difference between the business process status values "declined" and "laid aside"?

The difference between an application "laid aside" and one that has been declined is that applications that have been laid aside are still eligible for reprocessing.

Where can the user delete a quote? Indicate the file, top-tab and side-tab.

A quote can be deleted in the person file, top-tab contract, side-tab list.

	Definitions
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<u>Application</u>	<u>Business Object</u>	<u>Role</u>
<u>Post Processing</u>	<u>Process Slip</u>	<u>Quote</u>
<u>Contract</u>	<u>Functional Object</u>	

Purpose and Different Types of Amendments

Reasons for Amendment



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The purpose of reasons for amendment is that the reason for a contract change is documented. Furthermore, the reason for amendment defines the further process.

- Having contracts reasons for amendment allows amendments to be described quite exactly. This detailed description is of great importance when amending a contract.
- The selected reason for amendment also defines how the amendment is executed and processed in ABS Core, i.e. by means of an amendment application, amendment notice or direct contract amendment.
- The selected reason also influences which data can be modified in the user interface.
- Based on the type of amendment, the transactions that change the contract, as well as the handling options, are clearly described.
- Moreover, this serves the purpose of documenting the transactions and changes within the history of a given contract.

!

As an example, an amendment could be a change in payment frequency and a change in collection type. Under this scenario, the clerk manually selects the contract reason for amendment G14 – non-technical change. Based on the changed payment frequency, ABS automatically sets the first reason as G35 – change of payment frequency. If the collection type has been changed as well, the second reason change of collection address or collection type is also automatically set.



The executed amendment and therefore the reason for amendment are also documented on the resulting policy document. As such, it is possible for the policy holder to follow their contract's change history.

On the highest level, reasons for amendment can be classified into two main types:

1. technical
2. non-technical

The reason for amendment function is the technical means used to trigger, control and document a new creation or amendment of a contract.

There are the following types of amendments:

1. **Contract reason for amendment:** the most important reason that controls all core functionalities
2. **Reason for amendment 1, 2 and 3:** these reasons can be defined by the ABS Core customer in order to control customer-specific parts of the application or to document different operations which are done during a contract amendment like a vehicle change.

The reason for amendment is set automatically to "G01" upon creation of a contract ("New contract of the insurance applied")

The reason for amendment always refers to the contract reason for amendment unless explicitly specified otherwise.



Contract Amendment

A contract amendment is characterized by the effective inception date of the amendment lying in the future.



Retroactive Amendment

A retroactive amendment is characterized by the effective inception date of the amendment lying in the past (01.07.2021) in comparison to the effective inception date of the last amendment (01.01.2022).



A retroactive amendment can not only affect the current contract stage, but also historicized contract stages. As a result, the amendment is based on the effective contract stage for the given effective inception date. This can either be an actual effective contract stage or a historicized contract stage.

Contract reasons for amendment can be either technical or non-technical.
This is equally true for contract as well as retroactive amendments.



Technical Reasons for Amendment

A technical reason for amendment causes a **change to the risk** (e.g. insured object, insured person) and/or a **change of the coverage** (e.g. changing the sum insured, adding/removing coverages, coverage items etc.) and can therefore also result in a change of the premium. The amendment becomes effective after policy processing.

Change of ownership (G65):

When a contract is transferred to another policy holder, it is deemed a change of ownership. The current contract stage is valid with the same conditions for the remainder of the contract period for the new owner. In the event that the transfer of the contract also contains a modification of the expiration date or the product generation, this leads to contract conversion.

Conversion (G76):

A conversion results in a new contract, based on an existing contract. In other words, the new contract replaces the previous one. Duration, period of cancelation, etc. are reinitialized and start over. It is mandatory to change to the new product generation.

ABS also supports indirect conversion. This occurs if the expiration date is longer than two years in the future and more than eleven months ahead of the expiration date in the original contract. This case is also considered a conversion and is based on the rules of reason for amendment G76. However, eventually the bundle product and the coverage need to be updated to the actual class products.

Contract Amendment (G80):

Technically, a copy of the contract is created in the form of a quote when the contract is amended (e.g. change of the sum insured or of a product component, inclusion/exclusion of a specific class, amendment of an object). This copy, however, is not a new application; all data of the existing contract is transferred, but switching to a new product generation is not mandatory.

Reactivation (G02):

This means the reinstatement of previously suspended or canceled contracts based on existing insurance terms.

Suspension (G64):

A contract can be temporarily suspended or retired. In this case, the contract remains "alive," but during the suspension, the customer is not required to pay the premiums and the insurance company does not need to pay any benefits.

In sum, there is no insurance coverage under a suspended contract.

Free of Premium (G17):

In this case, the policy holder is exempt from premium payments for a defined period. Nevertheless, the contract remains valid and in force. In contrast to suspension, under free of premium, insurance coverage is still provided.

Non-Recurring Settlement:

This refers to when credit items or receivables are temporarily booked on the contract account, for example premium transfer, profit shares or short-term additional coverage.

Contract cancellations are also done via a technical reason for amendment and can be classified in three types:

1. **Complete Cancellation (G08):** in this case, all non-canceled classes are now canceled, resulting in the policy holder no longer having any coverage based on the contract in question. In sum, it means that the contract has been canceled.
2. **Partial Cancellation (H29 or G80):** in this case, the clerk selects the classes to be canceled, leaving at least one class in the contract in an active state.
3. **Scheduled Cancellation:** also known as "marked for cancellation". In this case, a scheduled task for future cancellation is triggered either manually by the user or based on a functional trigger in batch. A scheduled cancellation can bring about either a complete or partial cancellation.



Non-Technical Reasons for Amendment

Non-technical amendments **do not change the risk or the coverage** and are used for example to add comments or attach documents.

Internal Contract Amendment (INT):

An internal contract amendment in the form of a direct contract amendment is always executed if a contract (or application) has to be submitted again after some time as e.g. further documents must be requested from the policy holder. Scheduled tasks, documents and comments can be edited.

Non-Technical Amendment (G14):

You can only change data in the tabs collection, block, address for service (of the policy holder) and contract, for example update of payment frequency or restriction on transferability. If you change the payment frequency from 'annually' to 'half-yearly/quarterly/monthly' a frequency surcharge could be charged, if defined in the corresponding product.

Edit Subledger Accounting (UBH):

This reason for amendment in the form of an amendment notice is used to handle fees and reminder data (tab collection/side tab account balance and reminder data), for example by setting a reminder process freeze or by writing off reminder data. The amendment is directly stored in the database.



Knowledge Check

Knowledge Check

The chat bot element is not available in the print version.



What could be the business reason for a contract amendment (G80)?

Inclusion or exclusion of coverages or coverage items, change of payment frequency, amendment of insured object

What is the difference between technical & non-technical amendments?

A technical amendment is used to change the risk and/or change the coverage and can therefore also result in a change of the premium. Non-technical amendments do not change the risk or the coverage.

Explain the difference between a contract amendment & retroactive amendment?

The effective inception date of a contract amendment can be today or in the future, whereas for a retroactive amendment it lies in the past and a historized contract stage is used for the amendment.

Name & describe the status values pertaining to how a contract in ABS can be canceled.

- **Complete Cancellation (G08)**, In this case, all non-canceled classes are now canceled, resulting in the policy holder no longer having any coverage based on the contract in question.
- **Partial Cancellation (H29 or G80)**, In this case, the clerk selects the classes to be canceled, leaving at least one class in the contract in an active state.
- **Scheduled Cancellation**, Also known as "marked for cancellation". In this case, a scheduled task for future cancellation is triggered either manually by the user or based on a functional trigger in batch. A scheduled cancellation can bring about either a complete or partial cancellation.

Name and explain all the technical reasons for amendment that you can remember

- Change of Ownership (G65)

When a contract is transferred to another policy holder, it is deemed a change of ownership. The current contract stage is valid with the same conditions for the remainder of the contract period for the new owner. In the event that the transfer of the contract also contains a modification of the expiration date or the product generation, this leads to contract conversion.

- Conversion (G76)

A conversion results in a new contract with a new customer, based on an existing contract. In other words, the new contract supersedes the previous one. Duration, period of cancelation, etc. are reinitialized and start over. It is mandatory to change to the new product generation.

ABS also supports indirect conversion. This occurs if the expiration date is longer than two years in the future and more than eleven months ahead of the expiration date in the original contract. This case is also considered a conversion and is based on the rules in reason for amendment G76. However, eventually the Bundle Product and the coverage need to be updated to the actual class products.

- Suspension (G64)

A contract can be temporarily suspended or retired. In this case, the contract remains “alive,” but during the suspension, the customer is not required to pay the premiums and the insurance company need not pay any benefits. In sum, there is no insurance coverage under a suspended contract.



Definitions

Bundle

Product

Subledger

Non-Recurring Settlement

Non-Recurring Settlement



i

Let's start with an example to illustrate the concept of non-recurring settlements.



As an example, consider Conrad Smith who concluded a household insurance contract with Allianz. He agreed at the time with his Allianz account manager that he will get a 15% discount on his already paid premiums in the form of a one-time credit, on condition that he does not make any claims for two consecutive years.

As Conrad complied, he is entitled to that one-time credit.

The clerk in the customer care center can use ABS's non-recurring settlement function to pay out the one-time credit. To do so, the clerk opens Conrad Smith's household insurance contract, switches to the edit mode, and selects the contract amendment reason "GEA – edit Non-Recurring Settlement." Then the clerk enters the reason for amendment.

In this case it is "E01 – campaign credit." Now the necessary data for the one-time credit can be entered.



In general, **non-recurring settlements** are used for booking credits or receivables temporarily to the contract account.

It is created by an amendment based on the copy of a contract on a given date. The detailed information and data regarding non-recurring settlements is stored in their own separate tables.

Additional costs that need to be paid out can also be considered in the premium calculation. For example, a partial fire brigade charge may need to be paid to the tax authorities.

Moreover, ABS allows for the further differentiation of non-recurring settlements based on the reason for amendment. The contract reason for amendment upon creation of a non-recurring settlement is always "GEA – edit Non-Recurring Settlement" and differentiation is elaborated at the class level. Reasons for non-recurring settlements are stored in the entity non-recurring settlement.

The main reasons for amendment for non-recurring settlements are:

- G50: invoicing of a non-recurring premium
- GEB: invoicing of fees
- DRR: refund request for discount for long-term insurance. If a contract is canceled, ABS automatically triggers this type of refund request when needed.

Non-recurring settlements also appear in the area of collection and disbursement. In this case they are used to write off the balances of canceled contracts.

The big advantage of non-recurring settlement as opposed to the booking file is that the use of known functions like documents, commissioning and co-insurance is possible right out of the contract file.



Demo

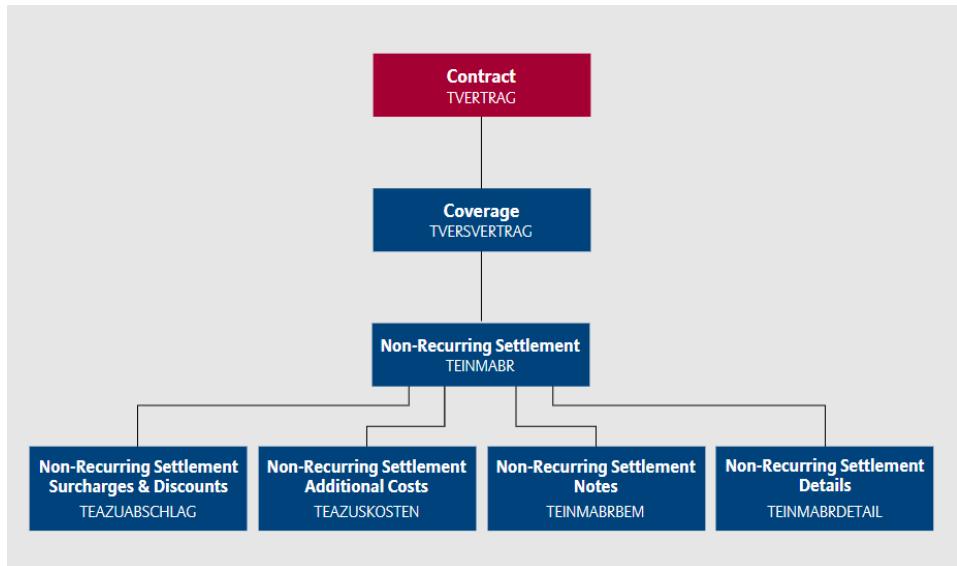
This demonstration shows how to trigger a non-recurring settlement on a contract, based on a campaign credit.

The video is not available in the print version.



Non-Recurring Settlement within the Data Model

This snippet from the enterprise data model illustrates the most important entities holding information about non-recurring settlements.



Based on a contract, non-recurring settlements are created per coverage. The most important entity is the non-recurring settlement itself. Most descriptive attributes for a non-recurring settlement are persisted in this entity.

Furthermore, the non-recurring settlement entity is also the starting point for the relation to further descriptive entities, such as:

- Non-recurring settlement surcharges and discounts
- Non-recurring settlement additional costs
- Non-recurring settlement notes



Knowledge Check

Name the main reasons for amendment for non-recurring settlements.

- G50: invoicing of a non-recurring premium
- GEB: invoicing of fees

- DRR: refund request for discount for long-term insurance. If a contract is canceled, ABS automatically triggers this type of refund request.



Definitions

Product

Non-Recurring Settlements

Surrogate Contract

Surrogate Contract



i

Lets start with an example to illustrate the concept of surrogate contract:

💡

Consider the example of Conrad Smith who has a motor vehicle insurance with Allianz. His old car was a total loss so he bought a new one. Conrad calls his Allianz account manager to inform him that he has a new car and wishes to continue to insure it with Allianz. Conrad wants to cancel the old contract since his previous vehicle no longer exists. Conrad wants to keep his insurance as it is, without changing the insurance sums.

Conrad Smith's Allianz account manager is able to fulfill these two requirements in a single work step. **Cancelling the old contract and insuring the new car in one go is called surrogate contract.**



Surrogate contract means that a new contract replaces one or more existing ones.

In other words, an existing contract is replaced by a new application based on the selection of the corresponding reason for amendment. Alternatively, an existing contract is canceled due to a new application. Furthermore, the transfer of classes from an existing contract to a new one, or the cancellation of an existing class by a contract, is also deemed surrogate business.

Surrogate contract can be triggered by a conversion, vehicle change, change of ownership or a new application, among others.

Four options for surrogate contract in ABS:

- **Option 1:** manual entry of policy numbers to be canceled (surrogate through cancellation)
- **Option 2:** manual documentation through the use of contract relations
- **Option 3:** use of special core reasons for amendment
- **Option 4:** surrogate contract on class level

1. Manual entry of policy numbers to be canceled

The first option for triggering the execution of surrogate contract in post-processing is to manually enter one or more individual policy numbers of existing contracts in the side-tab activity control. During the application's policy processing, the existing contract is canceled, and whether or not any open balances are to be transferred to the surrogate contract is customizable.

2. Manual documentation through the use of contract relation

This option is based entirely on user documentation, since in this case, ABS cannot trigger surrogate contract automatically. As such, the clerk manually cancels the former contract and creates a new one. In creating the new application, the clerk documents surrogate business based on the creation of contract relations. As mentioned, ABS does not apply any functional checks or other automated process on such an operation.

3. Use of special core reasons for amendment

It is also possible to trigger surrogate contract by selecting the appropriate reason for amendment. Any reason of amendment starting with G1 (e.g. G1W, G1T) causes automatically the cancellation of the old contract and results in surrogate contract. If the product on which the former contract was based is no longer valid, then the conversion process mandatorily requires a bundle/

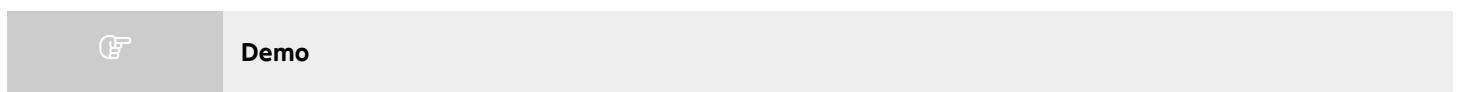
4. Surrogate contract on class level

In addition to replacing a former with a successor contract, ABS also allows the triggering of surrogate business at class level. This process is initiated by selecting the corresponding reason for amendment, which results in the possibility of selecting the as yet non-canceled classes for transfer to a new contract, and

product change. As in option 1, the former contract has the same customization possibilities and is canceled in policy processing.

normally even to assign it to a new policy holder. Post-processing automatically cancels the classes to be transferred.

In this case, ABS also offers the customizable possibility to transfer any open balances to the new contract; however, in this case the open balances can be selected at the class level. Once again, if the product, on which the former contract is based, is no longer valid, the conversion process mandatorily requires a bundle/product change for actual valid product generation.

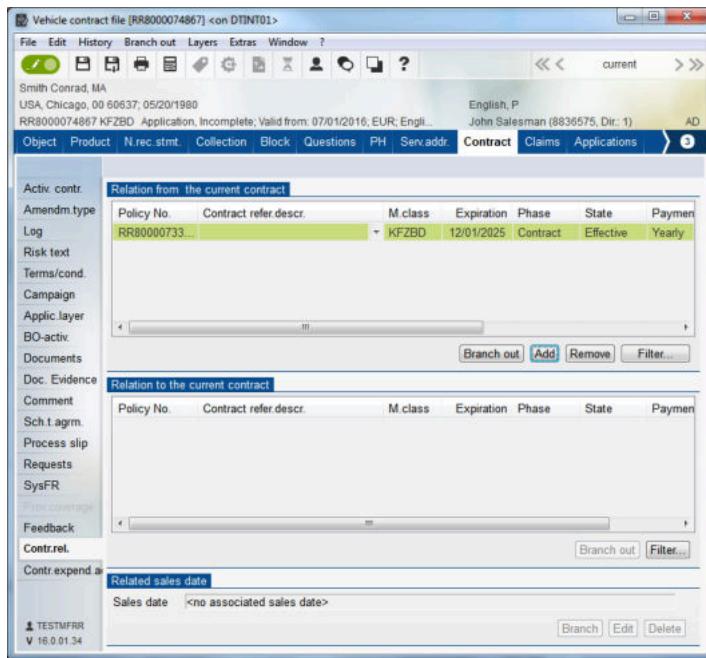


Watch the demo to understand the options.

Option 1:

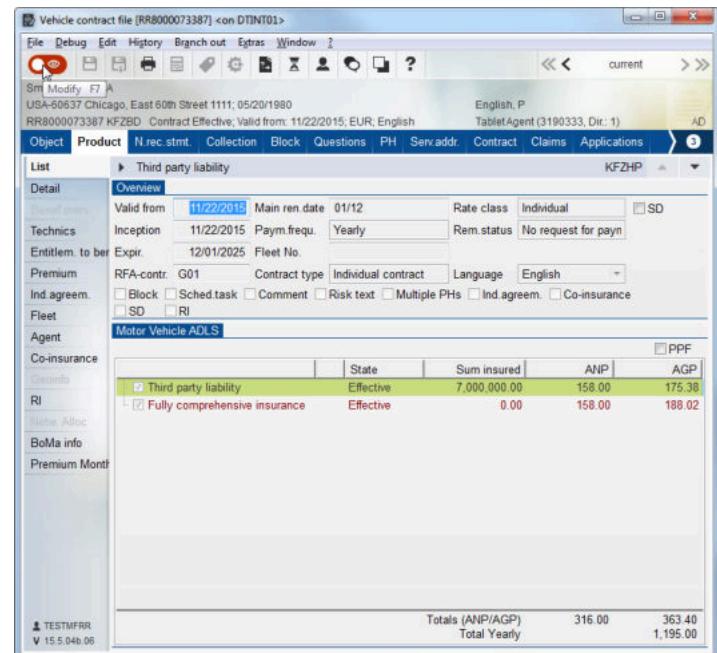
Manual entry of policy numbers to be canceled, after creating a new contract but before sending it for policy processing. It is possible to enter the policy numbers of the contracts to be canceled.

Before forwarding it, enter the policy number of the contract to be canceled at the same time. To do so, navigate to the top-tab contract side-tab activity control and enter the policy number(s) to be canceled.



Option 2:

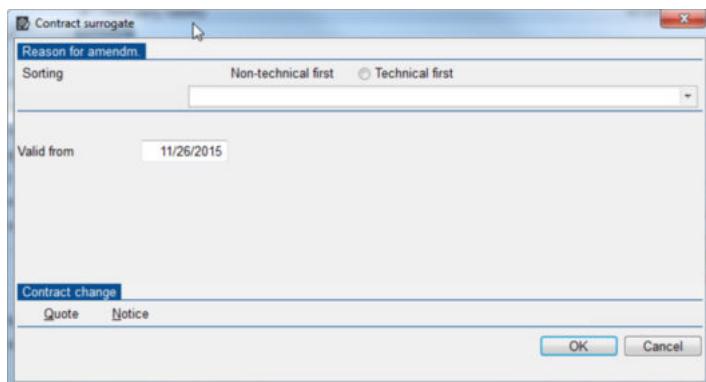
The clerk manually cancels the former contract and creates a new one. In the application in the tab contract, sub-tab contract relation the policy number of the former contract is documented by clicking on the add button.



Option 3:

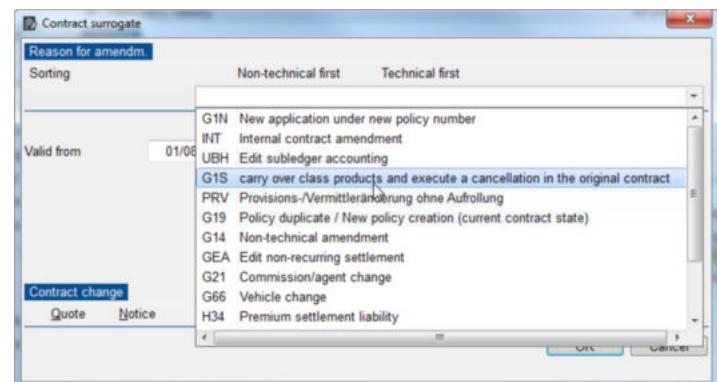
Use of special core reasons for amendment, start with the contract to be replaced.

Switch to edit mode by clicking the modify button (or pressing F7).



Option 4:

The contract surrogate pop-up is displayed. This is where you select the reason for amendment. Special core reasons for amendment to trigger surrogate business is surrogate of contract with same policy number.



Option 5 - G1S:

Carry over class products and execute a cancelation in the original contract.



Definitions

Surrogate of contract

Application Layer (optional)

Application Layer (optional)

OPTIONAL TOPIC

Please note that optional contents are not relevant for the final ABS Certification exam.



Conrad Smith took out an insurance contract at Allianz for legal protection and household insurance as of Jan 01.

Shortly after he had received his policy, he met his girlfriend and he moved in with her. He wants to cancel his household insurance as of July 01. On April 01 Conrad Smith wants to raise the sum insured for legal protection.

Based on the data above, normally the clerk would have to create two new applications.

- One would be a retroactive application for amendment with the effective inception date on April 1, based on the historicized contract stage for that point in time, raising the sum insured for legal protection.
- The other would come after policy processing the retroactive amendment based on that contract stage so as to include the application for amendment with the household cancelation.



After the policy processing of these two amendments, the policy holder would receive two policy documents.

To prevent the issuance of duplicate policy documents and to allow the agent to handle the business object within a single process step, the application layer concept as the basis for several amendments within a single process step was introduced in ABS.



Types of Application Layers (optional)

There are two types of application layers: automatic application layers & manual application layers

Automatic layers are created via the ABS business logic by means of a defined set of rules.

Examples of automatic application layers can be a value adjustment or profit participation which are created during the subsequent invoicing. The application layer functionality is available at the start of the application stage and automatic application layer is created right after forwarding the business object.



Application layers also allow for the processing of retroactive amendments. However, automatic application layers are always based on the preceding effective application layer. Furthermore, the application layer's effective inception date always lies in the future of the preceding layer.



Manual application layers are based on different contract or application stages.

These can be the actual effective contract stage, a historicized contract stage at the application layer's effective inception date, or it can be the preceding contract stage. Users create manual application layers by triggering this function in the ABS Rich Client. From the clerk's point of view, adding a new manual application layer is akin to creating an application for amendment.

Application layers should not be confused with historicized contract stages. Sometimes these stages are also called historicized layers, but from a functional point of view, the term is not quite correct.

Optional Quiz

The quiz is not available in the print version.

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Contract Amendment: Take a Quiz



Check your knowledge with the below questions.

Please note that some questions allow more than one correct answer. If you are unsuccessful on your first attempt - simply try again. (We recommend that you go through the training again before trying again).

The quizzes do not count towards certification. Only successful completion of the certification is relevant to you.

Good luck!

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Individual Agreements

Individual Agreements



An **individual agreement** is used if special terms and conditions need to be applied to an insurance contract regarding the customer and the insured object.

Such an agreement is set up between the policy holder and the insurance company, or any third party, at the time of contract creation, or if an existing contract requires amendment. In either case, the individual agreement is used whenever the standard product configuration does not fulfill the requirements, and thus special terms and conditions are needed.



As an example, Wilma Smith wants to insure her new leased car with Allianz. The leasing bank requires that the insurance contract contains certain special terms and conditions. One of these special terms and conditions stipulates that any contract amendment must be confirmed by the leasing bank.

Any confirmed individual agreement becomes a valid component of its respective contract and will also be printed on the policy document.



ABS differentiates between two types of individual agreements:

- **Class-specific individual agreements:** only in effect for those classes, for which the individual agreement was created.
- **Contract-specific individual agreements:** valid for the entire insurance contract, including all classes.

To create an individual agreement, special authorizations are required within ABS. A process slip will be created when an individual agreement has been modified or created.



Individual agreements are created in the ABS Rich Client.

Here is an existing contract opened to the top-tab product and side-tab individual agreement where the starting point is.

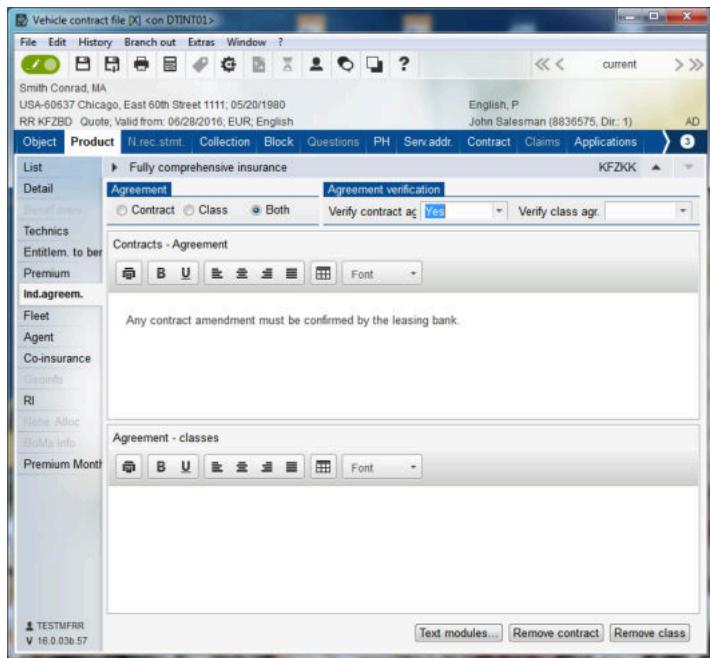
Individual Agreements Demo

The screenshot shows the ABS Rich Client interface for managing contracts. The main window title is "Vehicle contract file [X] <on DTINT01>". The top menu includes File, Edit, History, Branch out, Extras, Window, and a question mark icon. The toolbar contains icons for save, print, calculate, and other functions. The status bar at the bottom shows "TESTMFRR V 16.0.03b.57".

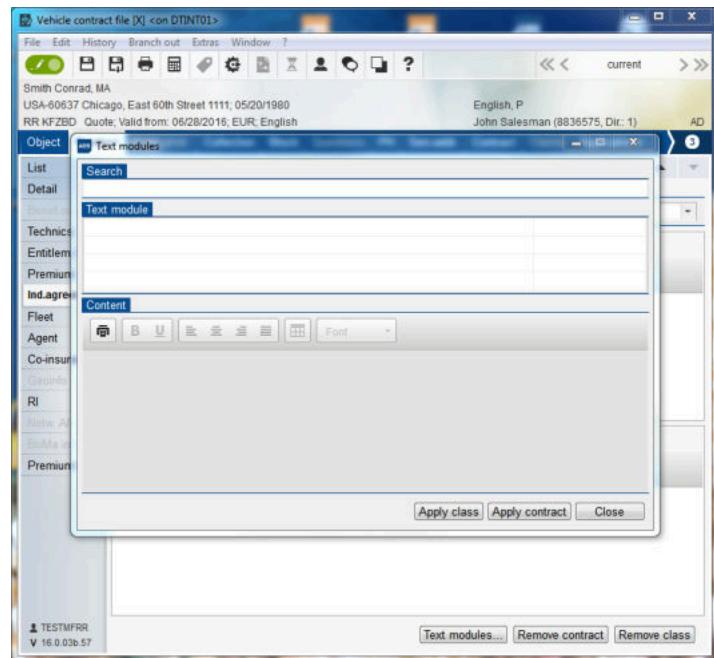
The main content area is titled "Individual Agreements Demo". It displays a "Product" tab with "Fully comprehensive insurance" selected. Below this, an "Agreement" section has three radio buttons: "Contract", "Class", and "Both", with "Both" being the selected option. There are two text modules: "Contracts - Agreement" and "Agreement - classes", each with a rich text editor toolbar. The left sidebar lists various product categories: Object, Product, N.rec.stmt., Collection, Block, Questions, PH, Serv.addr., Contract, Claims, Applications, Ind.agreem., Fleet, Agent, Co-insurance, Geoinfo, RI, Netw. Alloc, BoMa info, Premium Month, and TESTMFRR V 16.0.03b.57. The bottom right of the screen has buttons for "Text modules...", "Remove contract", and "Remove class".

In the agreement block, you can display contract-specific individual agreements, a class-specific individual agreement, or both types at the same time.

Use the buttons in the bottom-right corner to toggle among classes. For example, switch between all classes that are selected in the product list. The name of the class indicates the basis upon which the individual agreement shall be created.



Click the agreement verification checkbox to ensure that the individual agreement will be re-checked during each contract amendment.

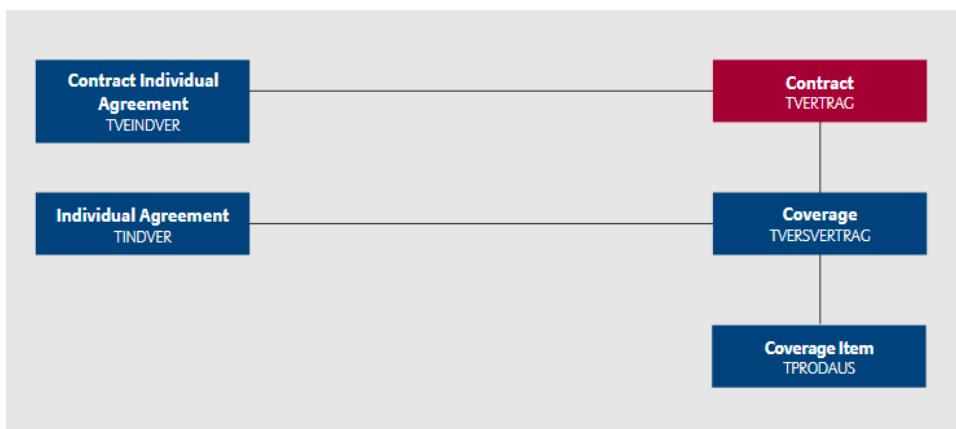


At the bottom of the window, click the text modules button. A pop-up is displayed, which allows you to select pre-defined text blocks to be carried over into the individual agreement. This function is useful for both types of individual agreements. The text blocks serve as templates for text that is used repeatedly in such cases, for example in leasing agreements.

Individual Agreements in the Data Model

The necessary data for individual agreements is persisted in the enterprise data model. Depending on the type of agreement, different entities are employed.

- Contract-specific individual agreements are persisted in the contract individual agreement entity, which is related to the contract in question via its primary key.
- Class-specific individual agreements are persisted in the individual agreement entity, which is related to the coverage via the coverage's primary key.





Knowledge Check

Describe the use case of an individual agreement.

An individual agreement is used if special terms and conditions need to be applied to an insurance contract regarding the customer and the insured object. Such an agreement is set up between the policy holder and the insurance company, or any third party, at the time of contract procurement, or if an existing contract requires amendment. In either case, the individual agreement is used whenever the standard product configuration does not fulfill the requirements, and thus special terms and conditions are needed.

What is the difference between contract-specific and class-specific individual agreements?

Contract-specific individual agreements are valid for the entire insurance contract, including for all classes. Class-specific individual agreements are only in effect for those classes, for which the individual agreement was procured.



Definitions

Contract

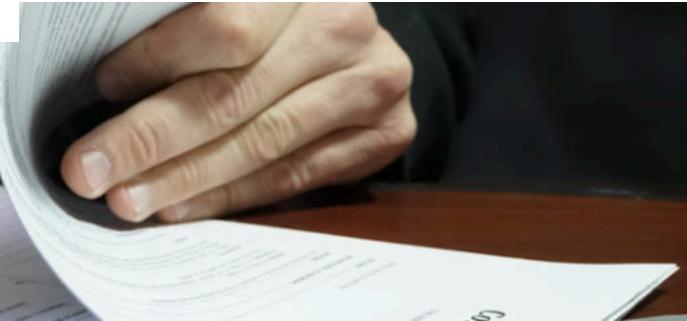
Process Slip

Product

Individual Agreement

What is a Quote Template?

Quote Templates



From a technical point of view, a **quote template** is an **application in progress** with the contract type "quote template." This quote can be opened and reused an unlimited number of times. However, quote templates cannot be policy processed. This means that each time a policy document or actual contract is based on a quote template, a new application based on it needs to be created.

Let us look into an example:



Conrad Smith recently became an Allianz representative in Vienna. He now sells Allianz motor vehicle insurance and many Vienna residents have such contracts with Conrad.

Based on the Allianz portfolio, Conrad configured his own motor vehicle standard product. Something along the order of 90% of Conrad's customers take this standard product.

Since Conrad always sends pretty much the same application to the Allianz Customer Care Center, the main difference among them being the persons insured, a quote template was created in ABS to allow Conrad's applications to transition more quickly into effective contracts.

The quote template was designed with three goals in mind:

1. To help users create new quotes more easily by means of the pre-population of certain fields
2. To reduce the time required to create applications
3. To increase consistency and accuracy by avoiding commonplace typos and mistakes

Furthermore, the selection of a quote template depends on the selected insurance product in the product selection pop-up. Specific authorization is required in ABS to allow a user to create a quote template. It is only available for the insurance product for which it was created. The insured objects in the quote template are then replaced with the actual objects to be insured once an application based on the quote template has been created.

The steps how Conrad created a quote template in ABS is shown here:

Steps to create a quote template

1. Create a quote and select the desired product(s)
2. Click quote to application. The quote template is created in the application stage
3. Switch to the top-tab product and change the contract type to 'quote template'
4. ABS automatically navigates to the top-tab contract and side-tab template.
5. To conclude the template creation, enter a name for the quote template and click on save.

The video is not available in the print version.



Knowledge Check

What is a quote template? Describe the purpose of this functionality.

A quote template is an application in progress with the contract type "Quote Template." This quote can be opened and reused an unlimited number of times. However, quote templates cannot be policy processed. This means that each time a policy document or actual contract is based on a quote template, a new application based on it needs to be created.

Purpose:

1. To help users create new quotes more easily by means of the pre-population of certain fields
2. To reduce the time required to create applications
3. To increase consistency and accuracy by avoiding commonplace typos and mistakes

Describe the procedure for creating a quote template.

1. To create a quote template, open the ABS Rich Client and select the desired products.
2. Click quote to application. The ABS Rich Client automatically navigates to the top-tab Questions.
3. Switch to the top-tab Product and change the contract type to quote template. The system automatically navigates to the top-tab Contract side-tab Template.

To conclude template creation, enter a name for the template and then click the Save button, or press Ctrl+S. The quote template is created in the application stage.

Where exactly can a created quote template be selected?

In the product selection pop-up in the right block.



Definitions

Product

Contract

Quote Template

Object Management and Ownership Relation

Object management



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Let's start with an example to illustrate object management and ownership relation:

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Conrad Smith is interested in an Allianz motor vehicle insurance product and requests a quote. He recently has bought a new BMW which is registered in his hometown in the USA. When creating the quote in ABS, his Allianz agent enters the object location for correct premium calculation.



Object Management

The functional object property does not have a separate ABS file. The object management is integrated into the contract file. Changes to an already insured object require a contract amendment.

The object type selected depends on the product (class product) and can consist of the following object types:

- Building, apartment
- Motor vehicle
- Aircraft
- Machine
- Person, person group
- Animal
- Workshop
- Content, content of refrigerator, cash desk
- Business site
- Other properties
- Water vehicle
- Work/delivery
- Bicycle



Ownership Relation

- The ownership relation controls which properties in the object list are to be displayed to the policy holder.
- If a new property is created, an ownership relation is created automatically. This serves reusability and monitoring of already insured objects.



Property Location

- Certain properties require a property location, e.g. buildings, apartment, business sites.

- The default value is usually the policy holder's physical address.
- Objects with a property location can be subordinated to each other, e.g. a building can be subordinated to a business site. Then the subordinated building automatically inherits the property location of the business site.

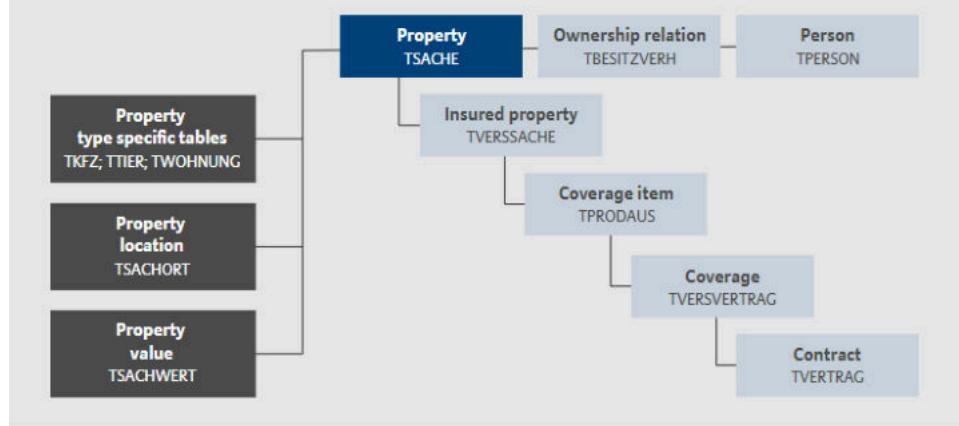


Changes to Insured Objects

Amendments of Object Data

- If an object has already been created, a change to object information is possible after changing to edit mode of the contract.
- If the same object has already been insured in another contract and needs to be amended, a message is displayed showing all contracts in which this object is insured as well.
- An amendment to the object signifies that the amendment has an impact on all contracts involving the object.

Data Model



Click to zoom the image.

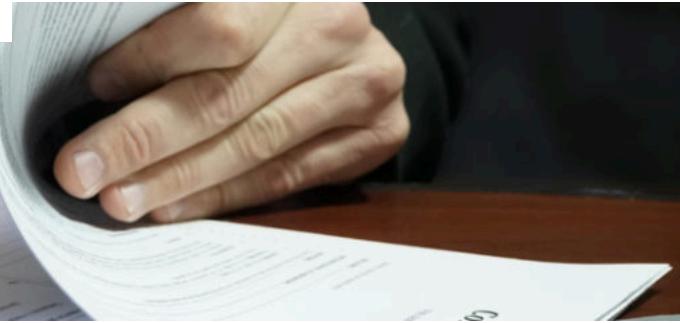


Definitions

Functional Object

Functional Details

Applications with Scheduled Processing



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Let's start with an example to illustrate the applications with scheduled processing:



Wilma Smith wants to expand her company so she approaches Allianz to negotiate new insurance contracts.

Today is January 6, and the existing contract is to be amended to raise the sum insured after expansion work is finished, targeted for May 1. Wilma contacts her Allianz account manager and they agree on the necessary amendments, notwithstanding that there are another five months before expansion work is finished.

To deal with this situation, the account manager uses an application with scheduled processing.

When triggering an application with scheduled processing, consider the following fundamentals:

- Applications with an effective inception date far in the future, as opposed to effective inception dates for policy processing, are classified as applications with scheduled processing.
- The idea behind this is to prevent policy processing on the application from occurring too early. If contracts were created having effective inception dates too far in the future, amendments would require much higher effort to execute, and the invoicing of premiums would begin far too early.
- The period of time allowed between policy processing and the applications effective inception date can be a minimum of one full month, and can be configured under the company configuration data.

During policy processing, ABS checks if the application is to be classified as an application with scheduled processing.

The classification is based on the **comparison** between the **effective inception date of the contract** and the **next due date** as well as a **comparison** of the **todays date** and the **effective inception date of the contract**.

In the company configuration data the maximum number of months (2 digits) is entered:

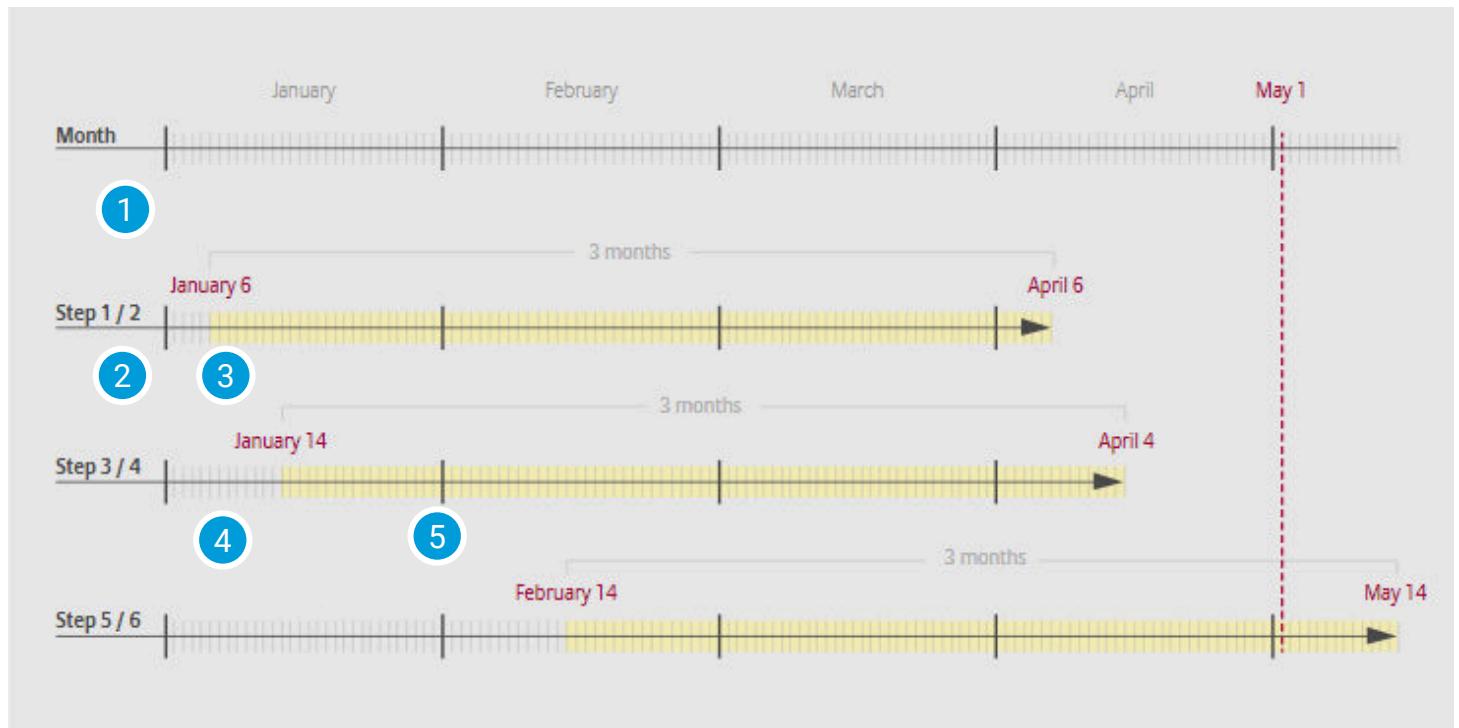
- (<TFIRMENDATEN>.<>FIRMDAT_ART> = ZAPRM)

This attribute defines the maximum duration in months before an application gets processed by the policy processing in contrast to the effective date of inception of the application.

During the subsequent invoicing, relevant attributes (e.g. FZSDAT, GSTUEBERNZEIT) are set which trigger a new check in the policy processing.

Referring to the example above, five steps would need to occur. Check the hotspots to know more.

In the example the company configuration data is set to three months and the subsequent invoicing is processed every month on day 14.



1 **Step1: January 6** - forwarding of the application for policy processing.

2 **Step2: January 6** - the policy processing compares today's date, January 6, to the application's effective inception date, which is May 1. The maximum period allowed between policy processing and the application's effective inception date is configured in the company data to be three months. As the result of the comparison is longer than three months, ABS's policy processing classifies this application as an application with scheduled processing. The application therefore is not policy-processed.

3 **Step3: January 14** - the subsequent invoicing for February takes over the application with scheduled processing and sends it into policy processing for the application with scheduled processing check. If applicable, it will be policy processed.

4 **Step4: January 14** - the policy processing again compares today's date with the effective inception date May 1 and the payment frequency. Once again, the result of the comparison is longer than three months, ABS's policy processing classifies this application as an application with scheduled processing.

5 **Step5: February 14** - the policy processing again compares today's date with the effective inception date May 1. This time, the period is less than three months, and the application is no longer classified as an application with scheduled processing the application is policy processed like any other applications.



Knowledge Check

Explain the purpose of an application with scheduled processing.

To prevent policy processing on the application from occurring too early. If contracts were created having inception dates too far in the future, amendments would require much greater effort to execute, and the invoicing of premiums would begin too early.

Introduction

Post-Processing



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After an application is submitted, it must be checked to see that it is accurate and correct.

This post-processing is needed to amend, for example, any possible mistakes that occurred during data entry. This section will teach you about the nature and structure of consistency checks in ABS, and about how the checking procedure works.

Sales Center Acceptance Time

Post-Processing



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The first overall step in post-processing is checking applications, applications for amendment and amendment notice for functional correctness and consistency.

These checks are of a functional and technical nature. Certain technical checks can correct errors or mistakes in data entered based on functional rules. Furthermore, the usage of some technical correction checks is customizable, in the sense that customers enable or disable them.



The business object is controlled via the sales center acceptance time (<TGSCHFALL>.«GSTUEBERNZEIT») which is stored as a timestamp in the data base. In combination with the business process status it is of central importance if it concerns further processing of business objects.

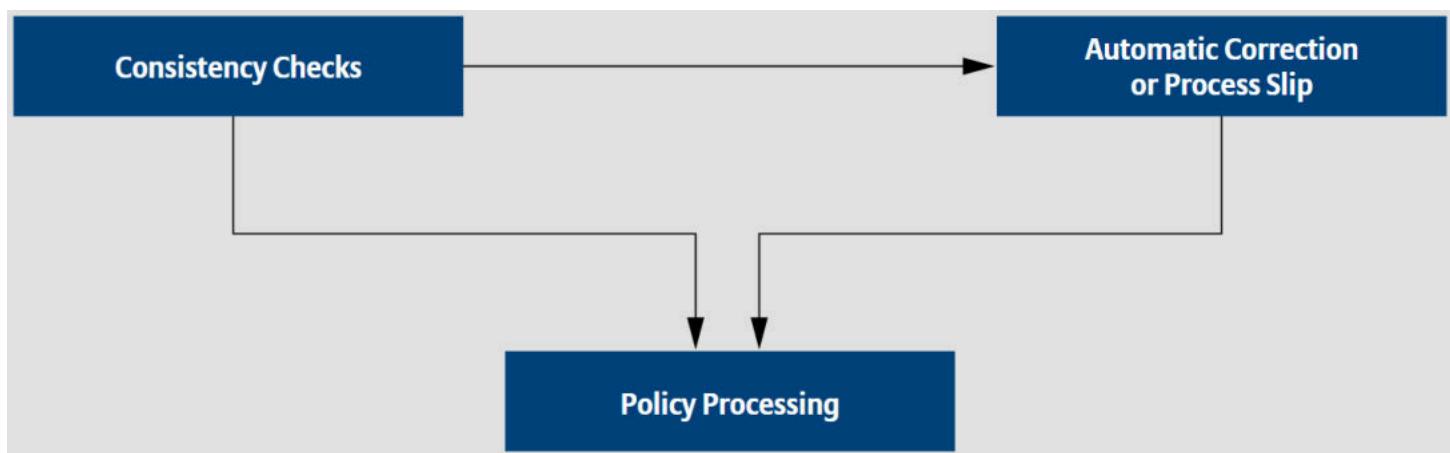
Consistency Checks

Post-Processing



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Consistency checks verify the functional and technical consistency of applications and amendments. If a failure arises, technical process slips are generated and attached to the corresponding business object.



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Example:

An application has no collection address.

The process slip ensures that the business object does not get policy or post-processed with erroneous or missing information. On the other hand, if all checks return positive results, the application goes straight to policy processing.

In addition to the standard consistency checks, ABS Core customers have the option of extending such checks by means of an interface.

ABS allows for **automatic corrections**, whereby in addition to the regular functional check routines, ABS Core uses batch programs to automatically resolve inconsistencies. The automatic correction process is triggered by technical process slips, causing the faulty business object to be processed.

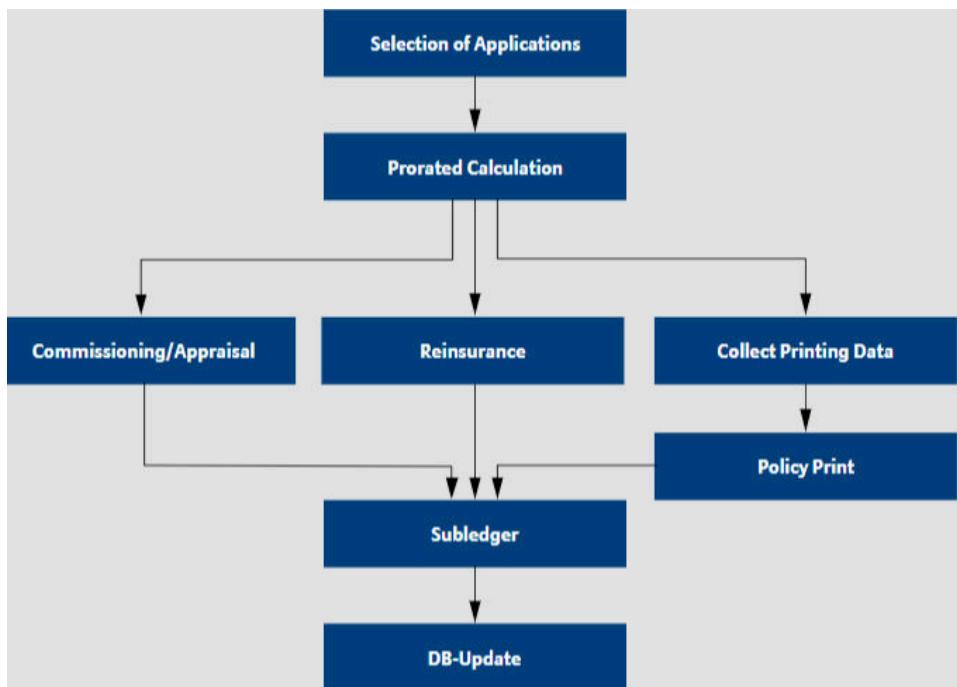
For easy-to-correct inconsistencies, it is possible to define such automatic corrections, by means of which they are resolved based on the defined functional rules. Once an automatic correction is successfully resolved, the technical process slip is approved, at which point the business object re-enters the check routines to ensure that everything else is otherwise in order. The reviews are performed at the business object level based on the sales center acceptance time.

Individual Contract Policy Processing

Post-Processing



Based on a daily routine, all applications and applications for amendment having the business process status "complete", do not have any outstanding process slips and have successfully passed all consistency checks, are selected.



Furthermore, all selected applications and their corresponding contracts are blocked, to prevent data from being changed during policy processing. At the end of the selection process, the task's status is set to **completed** to initiate the next process steps or tasks.

The next step is the calculation of the premiums to be invoiced, also known as the **prorated calculation**.

Furthermore, when dealing with applications for amendment, a forward or backward projection is triggered. The calculated premiums are the basis for creating the corresponding bookings, which are processed in the **subledger accounting** step.

Once the premiums to be invoiced are calculated, based on the individual coverages, the **commissioning or appraisal** step is triggered.

This is where the agent's commission is calculated and the rating or appraisal of the forward or backward projection is executed. Commissioning and appraisal are largely customer-specific. For this reason, ABS Core offers mainly control modules to allow the commissioning calculation to occur in the customer-specific modules.

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The commission bookings are then processed in the **subledger accounting** step. In parallel, the **reinsurance task** is triggered.

Here, the relevant data for reinsurance, such as premiums, provisions, etc., are calculated. The results are forwarded for processing in the subledger accounting step.

The next step, which also runs parallel to the commissioning and appraisal as well as the reinsurance steps, is the **policy printing** step.

This task is divided into two sub-processes:

- Collecting the policy data
- Preparing the collected printing data for the printing system.

Collecting the policy data entails amassing all the necessary information to be printed on the policy document. Since different insurance companies require different contents for their policy documents, this is a highly customizable area.

For example, customer-specific values for data fields can be defined. The content of these data fields are mostly collected by customer-specific sub-programs or automated routines that persist the information in certain tables.

Document Management

Next the **subledger accounting task** is called. This task takes the results of the prorated calculations, as well as those for commissioning and appraisal, plus reinsurance, and persists them in the ABS database to execute the necessary bookings. If the customer has a customer account, the calculated premium for the contract account gets rebooked to the customer account.

Finally, the **database update** is triggered. This task persists the necessary information in the ABS database. During the update, information is created or updated in the functional objects for contract and person, such as the annual premium or number of contracts. If surrogate business via cancelation exists, then the individual contracts are canceled and the reference from the old to the new contract is persisted. Previously blocked functional objects are unblocked again.



Definitions

[Subledger](#)

[Prorated Calculations](#)

[Customer Account](#)

Prorated Calculations

Post-Processing



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Within the prorated calculation, based on the insured risks and the payment frequency, the premiums to be invoiced are calculated for each coverage.



The insurer is only entitled to the premium for the period during which the coverage is effective.

It follows that if the coverage is canceled at some point, only the premium for the effective period is due. The **prorated calculation** determines the premium in this scenario with forward and backward projection.

Subsequent Invoicing

Post-Processing



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Subsequent invoicing is an ABS Core function which is implemented as a task chain according to the "Batch Services" concept like the individual contract policy processing.

Upon conclusion of a contract, an annual premium is calculated. Based on the coverage, the premiums must be paid to Allianz. Premiums are calculated based on the payment method and frequency. Usually, the insurance company provides the option of paying yearly, half-yearly, quarterly or monthly.



The prorated calculation determines the actual premium due until the subsequent invoicing, as per the payment frequency. Monthly executed, the subsequent invoicing determines the Contracts which must be invoiced and paid by the policy holder, based on the payment frequency and resulting next due date.

Based on the calculated annual premium and payment frequency, subsequent invoicing triggers the premium invoicing. Additionally, possible profit participation, normally only valid in life contracts, and if agreed, value adjustments such as inflation index adjustments, are also triggered. The rules and the jobs to execute these steps are individually customizable. Between value adjustment and profit participation the modification and update of the additional costs is processed.

The entire process starts again with a selection of the relevant contracts. The contracts that are only eligible for profit participation and/or value adjustments are also selected. The selected contracts are then individually processed by any possible profit participation or value adjustment tasks as part of the actual subsequent invoicing task.

The next subsequent invoicing task creates bookings for the premium and commissions, which are processed and booked in the next task, namely the subledger accounting task. **The final task takes the information and persists it into the ABS database.**

Subsequent invoicing can be controlled and triggered at the main class level as well as based on the effective inception date. This feature prevents the creation of excessive business object processing, as well as allowing for a balanced load distribution over the entire month. In general, subsequent invoicing is executed on weekends.

Non-Recurring Settlements

Post-Processing



Non-recurring settlements are processed in parallel to policy processing.

However, the initial task of consistency checks is the same as in policy processing. Indeed, the same programs perform these checks.

- The next step is the selection of applications with pending non-recurring settlements. Here the selected applications are taken and the chain of tasks is triggered.
- The next step is the non-recurring settlement calculation. In this task, there is no backward or forward projection, since the settlement, as the name implies, does not recur.

- After creating the corresponding bookings, the next step is to calculate any possible reinsurance premiums, after which the bookings are handed over to the subledger accounting task for booking and further processing. In the policy processing of non-recurring settlements, the subledger accounting task also calculates and books any possible commissions.



An application's attributes are only used for data transport into the non-recurring settlement policy processing. The underlying contract is not updated based on information for an application, even after successfully passing all the policy processing steps. Nevertheless, information which is necessary for a non-recurring settlement is attached to the contract; this is also true for corresponding scheduled tasks, documents and comments.

ABS Core features programs that create applications for non-recurring settlements based on functional rules. These batch programs do not adhere to the same restrictions that are valid for the ABS Rich Client.

Here, an application for non-recurring settlements is only created if one does not currently exist for the application at hand.



Knowledge Check

What is the purpose of the attribute < TGSCHFALL >.<< GSTUEBERNZEIT >> ?

It sets the validity date and time limit of a given functional object. It is set to the current date and time of the download from the database on all functional objects. The value of the sales center acceptance time is only valid for direct data synchronization on demand and is not transferred to the database. This means that the actual date and time of changes to a given business object by a sales force agent is never persisted in the host database. Upon direct data synchronization, no update is available in cases, for example, where agents hold their own data and customer inventory. This is one of the reasons why this attribute is not persisted back to the database.

Describe the tasks which are performed when processing non-recurring settlements.

1. Execution of consistency checks
2. Selection of applications with pending non-recurring settlements
3. Calculation of non-recurring settlements
4. Calculation of reinsurance premium
5. Commissioning, subledger accounting
6. DB update and print

Explain the possibilities which exist to check consistency and functional correctness before an application is post-processed.

The first overall step in post-processing is checking applications and applications for amendment for functional correctness and consistency.

Several checks in the client are already executed at the quote stage. Checks are also performed at the contract stage before post-processing if the business process status is set to complete/pending. These checks are of a functional and technical nature. Certain technical checks can correct errors or mistakes in data entered based on functional rules. Furthermore, the usage of some technical correction checks is customizable, in the sense that customers enable or disable them. Others are mandatory and cannot be disabled.

Describe the process of the actual policy-processing, starting with the primary task, which selects the relevant business objects for policy-processing.

1. Select relevant business object or application with business process status "complete" - business objects or applications without outstanding process slips and which have passed consistency checks are forwarded for policy processing.
2. Lock all selected applications and their corresponding contracts from being changed.
3. Calculation of premiums (prorated calculation) - if necessary, forward or backward projection is calculated.
4. Calculation of agent's commission, rating or appraisal of the forward or backward projection is executed (control modules for customer-specific calculation); commission bookings are processed in the subledger accounting step.
5. The policy printing step consists of collecting the policy data and printing the policy data and is highly customer-specific
 - a. Collecting the policy data: necessary information to be printed on the policy document is amassed. Customer-specific values can be defined. The content of these data fields are mostly collected by customer-specific sub-programs or automated routines that persist the information in certain tables.
 - b. Printing the policy data causes the interpretation of the format for the collected information. For this task, most ABS Core customers have their own sub-program or automated routine, which communicate with ABS via an interface. The interpreted and formatted information is provided as character strings and stored as individual files.
6. Subledger accounting task: this takes the results of the prorated calculations and the commissioning and appraisal and reinsurance, and persists them in the ABS database to execute the necessary bookings. If the customer has a customer account, the calculated premium for the contract account gets rebooked to the customer account.
7. Database update: necessary information is persisted in the ABS database. Information is created or updated in the functional objects for contract and person (e.g. annual premium, number of contracts). If surrogate business via cancelation exists, the individual contracts are canceled and the reference from the old to the new contract is persisted.

Application is labeled "completed" after the creation of a valid and effective contract object.

Tools

Product development



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The following tools are used in the product development process.



- **Analysis Tool**

- ABS Core Customer Portal to access the documentation

- **Maintenance Tools**

- ABS Product Explorer (PEX) in the ABS Configuration Suite
- ABS Rich Client to check the designed product in the product list
- ABS Adapter implementation to check the output via CISL



Definitions

PEX

ABS Core Customer Portal

ABS Configuration Suite

Product

CISL

Product Development Example

Product development



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Product Requirements



The new insurance product for sale shall consist of three different class products: third party liability, fully comprehensive insurance and partially comprehensive insurance.

The new product is named Motor Vehicle ADLS, wherein the other aforementioned class products are contained. It should be possible to create/amend policies for this product in the standard file. The product will be sold by the tenant Allianz Country Insurance.

The product shall be ready for sale as of March 1st, but the insurance product shall be valid from April 1st. Based on this high-level example, the product model will be explained in detail.

💡

Market management has analyzed the Allianz product portfolio and conducted thorough market research for motor vehicle products. The result is that current motor products are no longer profitable, market share in the motor insurance market has been lost and a concept for a new and better motor product needs to be created.

The product/PEX expert receives the defined product requirements from market management and needs to design the product ASAP, as market launch is planned for the following month.

Third Party Liability Insurance

- Valid for cars
- Text block for an individual agreement for car leasing shall be configured
- Current calculation of insurance tax is 11%
- Two questions at the application stage must be answered: 1) Were coverages already rejected for this vehicle? 2) Do contracts to be canceled exist for applied risks?

Fully Comprehensive Insurance

- Value adjustment based on vehicle price index
- Deductible for motorcycles: 100€, 500€, 700€, 1000€; default sum is 100€
- Deductible for cars: 200€, 500€, 800€, 1100€; default sum is 200€
- General terms & conditions are named AFIB 2015*
- Current calculation of insurance tax is 11%
- Either the product fully comprehensive insurance or the product partially comprehensive insurance can be selected, but both are not possible.

Partially Comprehensive Insurance

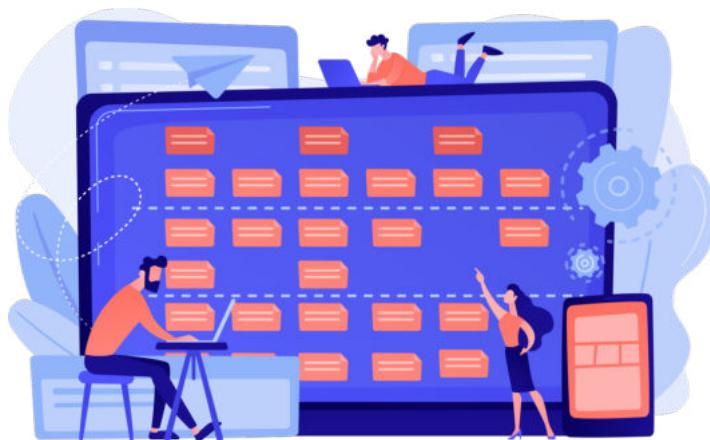
- For each insured car, one of three different types of deductibles can be selected: (1) Deductible glass damage (2) Deductible elemental damage, including elemental damage with deductible sums of 100€, 150€, 280€, 350€, 500€
- The class product is not applicable for motorcycles
- Current calculation of insurance tax of 11%
- General terms and conditions are named AFIB 2015 and EKB 2015*

*The names of the product components for general terms & conditions (AFIB 2015 and EKB 2015) have been used as this example is based on an actual product. The displayed names have no further meaning for your learning activities.



Mapping of Product Requirements to Product Model

To start from the top, the sales product "motor Vehicle ADLS" is the insurance product. This is the product offered to the customer.



The three products third party liability, fully comprehensive insurance and partly comprehensive insurance are mapped as class products, as in the product model the additional costs and surcharges and discounts are configured on the class product level. This also applies for application questions.

The remaining requirements per class product are product components with different component types as well as application questions, text components and the respective Claim modeling.

The following sections explain the most important configuration data in the product modeling process. Products are modeled in PEX which can be found in the configuration suite.

- ↳ Motor Vehicle ADLS
 - ↳ Third party liability
 - ↳ Fully comprehensive insurance
 - ↳ Partially comprehensive insurance



Insurance Product

The insurance product can be configured in the table THSP_PRODUKT by using PEX in the configuration suite.

The following attributes need to be configured to match the product requirement:

- The name of the insurance product "Motor Vehicle ADLS"
- The assignment to a tenant, in this case to the Allianz Country Insurance
- The internal main class code which triggers file selection and classifies an insurance product
- In which ABS files the product is displayed
- Since the validity of the insurance product is unlimited, both the validity pairs (effective date, sales date) remain valid until 12/31/2999.

Product identification	
Description	Motor Vehicle ADLS
Short name	KFZBD
Insurance product sequence No.	60081
Client allocation	Allianz Country Insurance - [RR]
Categorization	
Internal main class code	Vehicle bundle - [KB]
Company code	Motor insurance - [80]
Main class supplement	
Group	Motor insurance - [KB]
Rate class	Arbitrary - [X]
Special rate	
Foreign currency	
Foreign currency contract	No - [N]
Foreign currency claim	No - [N]
Date values	
Creation date	01/01/1900
Effective start date	01/04/2016
Effective end date	12/31/2999
Sales start date	01/03/2016
Sales end date	12/31/9999
Main renewal date rule	
Other	
Display Files	Standard file - [S]



Class Products

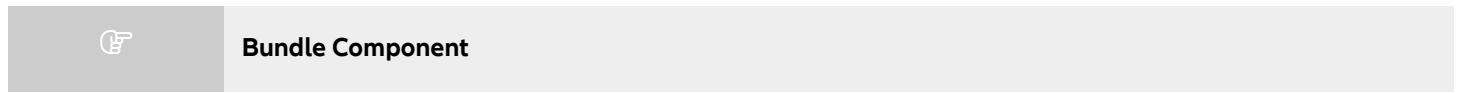
A class product is assigned to an insurance class called class_own which can be for example household, legal entity, third party liability.

- It defines the possible insurance protection within a contract. The entity TSP_PRODUKT defines the possible characteristics of a class product. Sales start and end dates, as well as effective start and end dates are defined therein. The class_own value can be used in some cases to inherit configuration data, for example taxes can be configured on a class_own level and then are true for every class product belonging to this class_own (with the possibility to overwrite the default values).
- The maximum duration of a policy containing the class product is defined as well as the definition in which file the class product is available.

Product identification	
Description	Third party liability
Short name	KFZHP
Class product sequence number	50001
Categorization	
Class_own	MTPL (Motor 3rd Party Liability) - [KH]
Company class code	Vehicle Assistance - [80]
Class supplement	
Contract class group	Motor bundle - [KB]
Claim class group	Claim vehicle - [SK]
Coverage group	
Sales class group	
Date values	
Creation date	02/16/2016
Effective start date	04/01/2016
Effective end date	12/31/2999
Sales start date	03/01/2016
Sales end date	12/31/2999
Classification start date	03/01/2016
Classification end date	03/01/2020
Max. duration (in years)	1
Other	
Employee discount (%)	50.0
Association class code	71
Blockable	Not blockable - [N]
Computable	Class product is computable - [J]

Further Reading

Standard vs. Expert File



The bundle component serves for the reuse of class products and the definition of their characteristics in relation to a given insurance product.

Link Type

This defines the selection possibilities of a class product in the form of a checkbox in the product list in the ABS Rich Client.

- **Selectable:** the class product can be selected in the product list
- **Pre-allocated:** the class product is selected by default in the ABS Rich Client but the user can deselect the class product
- **Mandatory:** the class product is selected in the ABS Rich Client with no possibility for deselection. In this case, the class product in question is a mandatory ingredient of the insurance product at hand.
- **Invalid:** the class product is not valid (anymore) and is not displayed in the product list
- **Mandatory at conversion/new:** the class product is selected in the ABS Rich Client on the product list with no possibility for deselection in case of conversion (switching to this product during a contract change) or new business. It cannot be deselected anymore.
- **Program-controlled:** the class product is selected due to customer-specific business logic.

Sorting

The order of class products in the product list is defined by numbers ascending from 1 to 999. Sort order 1 means that the product is displayed before a product with sort order 2.

The product requirement states that either fully comprehensive insurance or partially comprehensive insurance can be selected. To fulfill this requirement, we need to configure the attributes grouping and the link type in the bundle component for each of these class products as follows:

1. Link type = selectable
2. Grouping (or dependency) = maximum 1. Note that the group number is allocated automatically

Grouping of Class Products

Those that belong together from a functional standpoint can be grouped, resulting in the display of grouped class products in PEX (with red square brackets) and in the ABS Rich Client.

- **None:** class products are not grouped.
Exception: If two or more class products belong to the same class_own (e.g. three class products with class_own 3rd party liability [KH]), they are grouped by default. Reason: within one insurance product a class_own or class product can only be selected once.
- **At least 1:** minimum one class product within a group needs to be selected
- **Maximum 1:** none or one class product within a group can be selected
- **Exactly 1:** one class product within a group must be selected

The image above shows the fully comprehensive insurance with sort order 2. Partially comprehensive insurance has sort order 3 which means that the fully comprehensive insurance will be displayed before the latter.



Product Components

Product components define the actual coverage of a risk (e.g. death, invalidity, glass breakage, etc.) which can occur within the scope of an insurance contract.

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Every class product consists of several product components. They are differentiated between the characteristics of product components in and of themselves, and the characteristics which are context-driven.

Characteristics of Product Components

1. Name
2. Component type
3. Sum type, e.g. sum insured, deductible, daily allowance as fixed amount or percentage, etc.

Component Types

ABS provides various component types, e.g. main component, instance component, legal clauses, supplementary components, adjustment clauses, actuarial clause, indexation clauses, medical clauses as well as general and special terms. Product component types in general can be used for pricing or text components can be applied.

Main Product Component

Every ABS product must contain at least one main product component. The main component is the carrier of general information like e.g. the sum insured. Generally, the insurance rate is assigned to the main component. Several main components can occur in the product definition. Through the functionalities of the product model (e.g. via formation of groups or use of product filters), it must be ensured that operationally there is precisely one main component.

All other product component types are optional and can be used any number of times.

If the validity of the main component has expired, if the link type does not apply or if the main component is not a valid one due to the restrictions of the product filter, the class product will not be displayed in the ABS Rich Client as the main component is not valid.

Instance Product Component

The instance component is used when several insured objects/persons are to be equipped with individual service features. This is used for the depiction of individual scopes of coverage per insured object. This means that the product component instance, and if required, the related insurable risks, are displayed and offered per insured object in the contract file. Per insured object the user can select which coverages shall be selected.

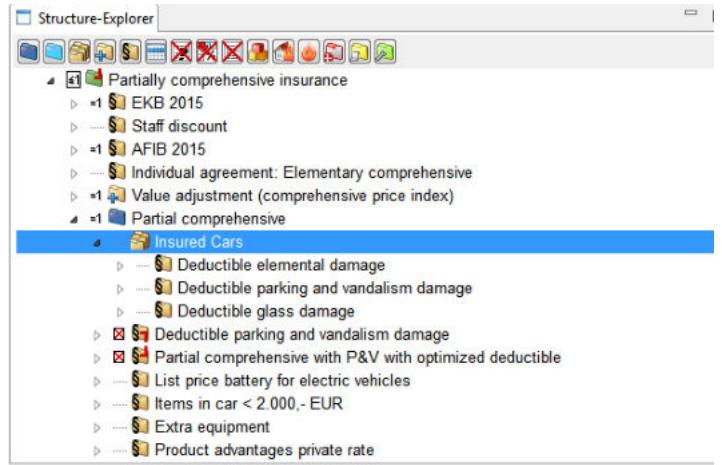
Building insurance example: several buildings can be insured, and for each building, the customer can decide which of the four risks should be insured: fire, mains water, storm and natural perils.



In our product requirements, insured cars in the class product partially comprehensive insurance have to be defined. For each car, different deductibles can be selected.

By using instance components, the user can select which product components (risks) shall be insured. For example:

- Car 1: only the deductible elemental damage is insured
- Car 2: deductibles of elemental damage and glass damage are insured
- Car 3: all three deductibles for different risks are insured



This screenshot shows the configuration details for the 'Insured Cars' instance component. The 'Component type' field is set to 'Instance component - [I]'. Other fields include 'Sum type' (set to 'None - [XXX]'), 'Print name' ('Insured Cars'), and 'PB#' ('577f61be-db9-11e5-b4c1-9cb654a4f4ca'). The 'Product component' tab is active.

Indexation Clause Product Component

This component type is used to determine if the insurance product is to be affected by an adjustment, for example the yearly index adjustment.

For our product requirement we have to select this type of product component for the value adjustment in the fully comprehensive insurance. The product component is called "Value adjustment (comprehensive price index)". The index type selected is "Vehicle Index".

This screenshot shows the configuration details for the 'Value adjustment (comprehensive price index)' instance component. The 'Component type' field is set to 'Index clause (all types) - [A]'. Other fields include 'Sum type' (set to 'None - [XXX]'), 'Print name' ('Value adjustment based on ...comprehensive price index'), and 'PB#' ('66feb766-9006-11e4-a074-9cb654a455e0'). The 'Product component' tab is active.

In general, all component types can be used for pricing, there is no relevant distinction between them.



Product Template

The product template enables the reuse of product components by defining the context-specific characteristics of a product component in relation to a given class product.



- The functionalities link type, grouping and sort order are the same as for bundle component. For the product template an additional link type "assignable" can be selected. This link type can only be selected via popup by the clerk.
- The product template uniquely offers the configuration of hierarchies and other configuration options. Nevertheless, from a technical standpoint, the bundle component and the product template are associative entities.



Knowledge Check

Which tools are used in the product development process?

Analysis and maintenance tools are used.

The ABS Core Customer Portal is an analysis tools. ABS Product Explorer (PEX) and the ABS Rich Client are maintenance tools for product development.



Definitions

[Application](#)

[Individual Agreement](#)

[Insurance Product](#)

[PEX](#)

[Table](#)

[Contract](#)

[Class Product](#)

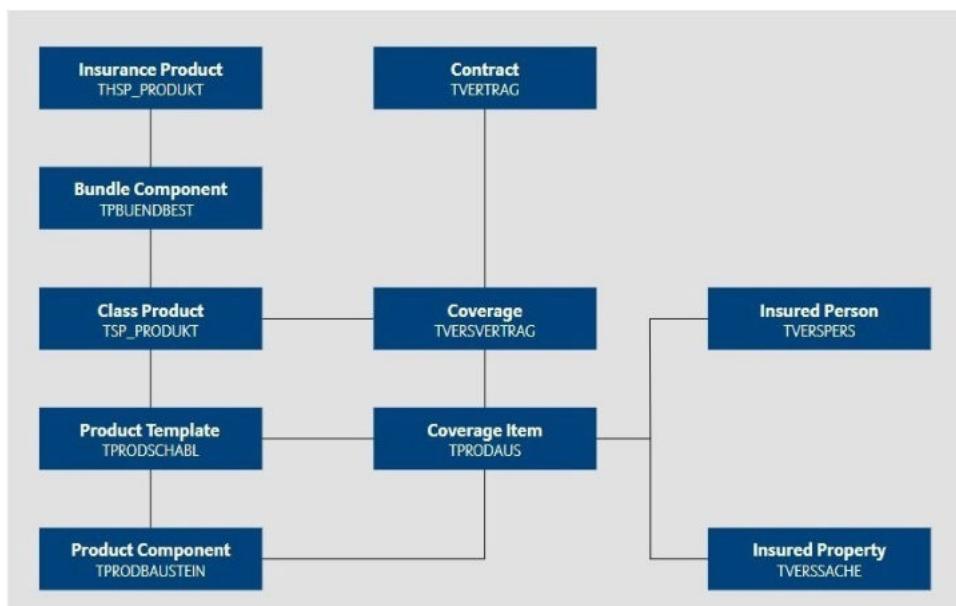
[Product](#)

Product Elements in the Data Model

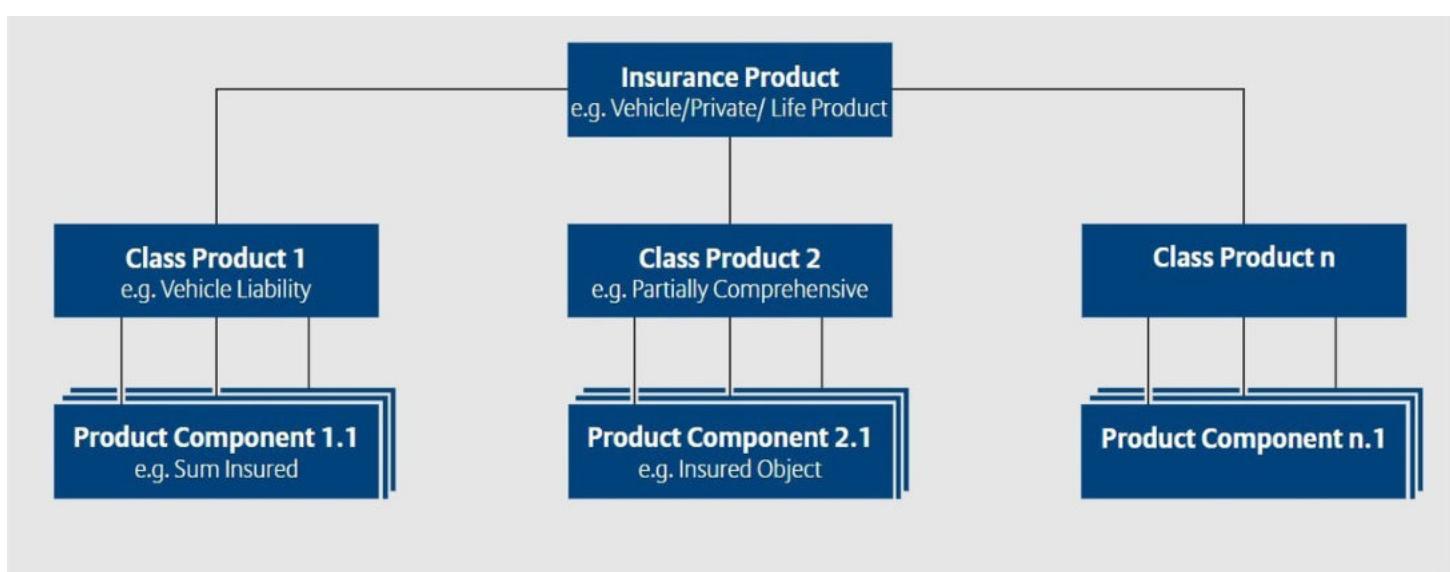
Product model



The data model snippet depicts the product model within the enterprise data model. The relation between product and contract are also shown.



Technical Product Structure



Further Reading

[ABS Product Model](#)



Knowledge Check

Which attributes can be defined in the insurance product?

The name of the insurance product e.g. "Motor Vehicle ADLS",

The assignment to a tenant, in this case to the Allianz Country Insurance,

The internal main class code which triggers file selection and classifies an insurance product,

In which ABS files the product is displayed,

The effective date and sales date

For which reason there is a differentiation between effective date and sales date?

The sales staff shall be able to sell the product before the effective start date.

Which attributes can be configured in the bundle component?

Link type, sorting and grouping of class products.

What is a class_own?

A class_own is a set of potential risks and dangers which could happen to a customer. The insurance company offers overages for these risks. A class_own defines a certain granularity which other areas in the insurance company use, e.g. claim, coinsurance lead & participation, commission, premium invoicing, etc.

Please name some examples for a class_own.

Motor liability, storm, glass breakage, legal protection, assistance, life, accident insurance, etc.

Please list the possible component types of a product component.

Main product component, instance product component, indexation clause product component, legal clauses, supplementary product components.

What is the purpose of an instance product component?

The purpose is the depiction of individual scopes of covered risks, which are displayed per insured object.



Definitions

Company-Wide Data Model

Standard File vs. Expert File

Product configuration possibilities in detail



The product requirement stipulates that the insurance product is available for the standard file.

In general, the expert file is already available for motor, however it needs to be assured that in case new product components are implemented, they also need to be covered in the expert file.

Insurance products can be configured in the standard file, the expert file or both. It can be determined in which type of file the product is available via the attribute KZAKTE at main class level. The attribute display files attribute offers the following possible values :

1. S for standard file
2. E for expert file
3. B for both files

A combination of both these attributes determines whether to make a given product available and editable in the standard file or expert file.

The class product level allows for certain configurations that further define in which type of file the product can be edited. The attribute "computable" KZRECHENBAR in the class product provides the following possible values:

1. Yes, meaning that ABS can calculate the insurance premium. The product is available in the standard file.
2. No, meaning that ABS cannot calculate the premium, in which case, an expert must do so manually. The product is thus only available in the expert File.

The following rules ensure that the product is available and editable in the desired file type.

- To configure a product for standard file only, set the insurance product's display files attribute to S. At least one class product must have the attribute computable set to Yes, so that ABS can calculate the premium.
- To configure a product for expert file only, set the insurance product's display files attribute to E. At least one class product must have the attribute computable set to No, so that an expert can calculate it in expert mode.
- To configure a product for both standard and expert file, set the insurance product's display files attribute to B. Depending on the class product's computable attribute, ABS will know where to make the product editable. At least one class product must have the attribute computable set to No, so that an expert can calculate it in expert mode and at least one class product must have the computable attribute set to Yes, so that ABS can calculate the premium.

If a given customer has both types of class products, only the ones where ABS is able to calculate the premium automatically are editable in the standard file. All those where an expert calculates the insurance premium can only be edited in the expert file.



Referring to our product requirements, the insurance product is set to S for standard file and the three class products are set to KZRECHENBAR = Yes.

Validity of Insurance Products and Class

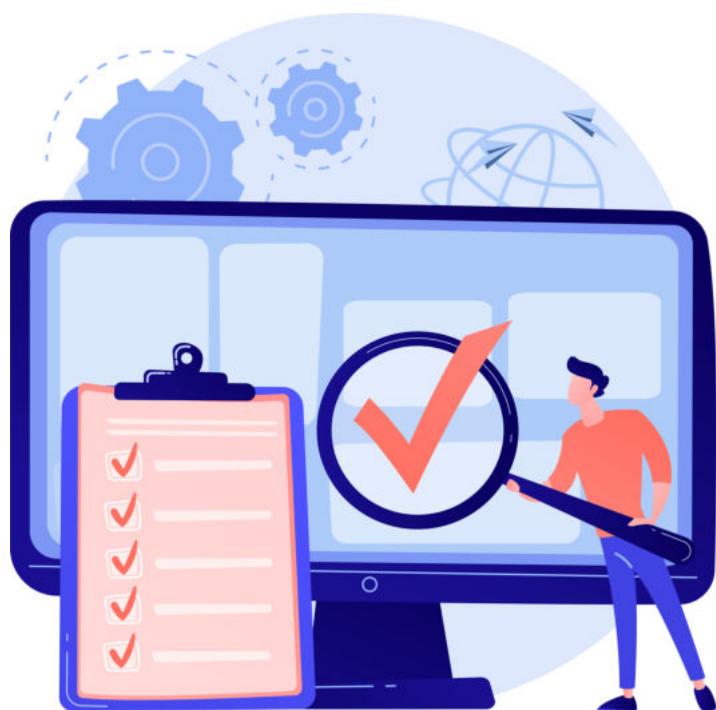
Products

Product configuration possibilities in detail



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In case of a new contract, the current date must be between VERKAUFSSTART (sales start) and VERKAUFSENDE (sales end) and the commencement of insurance coverage must be between INFRAFTDAT (effective start date) and AUSKRAFTDAT (effective end date).



- Invalid insurance products and/or class products are not approved for sale, nor are conversions (using this product during a contract change within an existing contract) permitted to these products.
- Only specific contract amendments are allowed, such as payment frequency and value adjustment. Of course the product, once insured in a contract, can be kept.
- Insurance products and/or class products that are closed for sales are no longer actively offered for new business in ABS.
- The governing attributes are T(H)SP_PRODUT: VERKAUFSSTART/VERKAUFSENDE.

Discounts and Surcharges

Product configuration possibilities in detail



In the entity TPRODZUABSCHLAG, discounts and surcharges for a specific class product can be defined in the configuration suite.

The discounts and surcharges are added or discounted on the sum of the annual base premium of the selected coverage items within a coverage in order to calculate the actual annual net premium.



Calculation Order

The calculation order determines the end result of the calculation, as it works multiplicatively, beginning at the sum of the annual base premium and calculating the percentage of the deducted or added amount of the annual base premium. The table below shows a calculation example.

			Sub Total
	Annual Base Premium	-	1.000,00
1 Restoration Surcharge	10%	100,00	1.100,00
2 Bundle Discount	20%	220,00	880,00
3 Special Discount	10%	88,00	792,00
4 Limited Campaign Discount	5%	39,60	-
(Actual) Annual Premium net	-	752,40	-

The discounts and surcharges have the calculation order from 1 to 4. The restoration surcharge is calculated as 10% of 1000. The bundle discount is calculated as 20% from 1100 (1000+100) and so on.

Column name (ZUAB_COLUMN_NAME)

Name of the surcharge or discount to be available in the coverage for a specific class product. This attribute does not have a domain. Surcharge and discount types have to be entered manually*.

Discount/surcharge type (VVZUABART)

Name of the discount or surcharge type in a domain, e.g. limited campaign discount. Note that this attribute must not be filled within the same tuple if the attribute Column name has been filled.

Automatic (KZAUTOUZAB)

This attribute defines if a discount or surcharge is displayed in the ABS Rich Client for editing by the user ('NO') or if it is automatically calculated by the application ('YES'). The discount or surcharge is not visible in the application in the latter

Discount or surcharge (KZABSCHLAG)	This attribute defines if the type is a surcharge ('N') or a discount ('J'). The attribute controls how the type is displayed in the ABS. A discount is stored as a neg. percentage but will be displayed and entered as a positive one.
Min and max discount and surcharge (MIN_ZUABSCHLAG, MAX_ZUABSCHLAG)	In these two attributes, the minimum and maximum possible discount or surcharge percentage is applied.
Order (BERREIHENFOLGE)	This attribute defines the calculation and display order of each discount and surcharge on the page tariff premium.
Contained in JTPRNETTO (KZ_ENTH_JTPR_NETTO)	This attribute defines if the surcharge or discount is contained in the annual base premium on the coverage item level ('yes') or if it is calculated on the basis of the sum of the annual base premium. The default setting is 'no' as the defined value will be added on top of the annual base premium.
Validity (GILTAB, GILTBIS)	The validity of a discount or surcharge can be defined in these two attributes.
Program name and program parameter (PGMNAME, PROGRAMM_PARAMETER)	These two attributes can be used on a customer-specific basis to define detailed rules for the calculation of discounts and surcharges.

- The manually entered values in the attribute ZUAB_COLUMN_NAME are SPROZ (special discount), DAUERRABATT (discount for long-term insurance), BUENDELARBATT (bundle discount), SANZUSCHL (restoration surcharge), VERGVRABATT (concession agreement discount).
- These values are stored as attributes in TVERSVERTRAG. All other surcharges and discounts are stored in the operative entity TVVZUABSCHLAG being domain values.

Column name (ZUAB_COLUMN_NAME)	SPROZ
Discount/Surcharge type (VVZUABART)	Leave empty
Automatic (KZAUTOZUAB)	NO
Discount or surcharge (KZABSCHLAG)	J (it is a discount)
Min discount and surcharge (MIN_ZUABSCHLAG)	-99,00
Maximum discount (MAX_ZUABSCHLAG)	0
Order (BERREIHENFOLGE)	40
Contains ANP (KZ_ENTH_JTPR_NETTO)	No
Validity (GILTAB, GILTBIS)	01/01/0001 12/31/2999 (default values)



A special discount of up to 99% shall be applied to the partially comprehensive insurance class product. The configuration for this discount is as follows.

The screenshot on right side of the screen shows the configuration details of the special discount in PEX.

Partially comprehensive insurance										
Name	Type	Flag activation	Additional costs	Documentary	Premium contract	Product surcharge and discount	Criteria PMA	Benefit payment offer	Order	Contains AIP?
		No - [N]				Discount / surcharge	Min. surcharge / discount	Max. surcharge / discount	Standard percentage	P
SANZUSCHL.		No - [N]				Surcharge - [Z]	0.00	999.99	0.000	1
BUNDELRABATT		No - [N]				Surcharge - [Z]	0.00	999.99	0.000	20
SPROX		No - [N]				Discount - [Z]	-15.00	0.00	0.000	30
		No - [N]				Discount - [Z]	-99.00	0.00	0.000	40
		No - [N]				Newcomer package	Yes - [J]	Discount - [Z]	-99.00	60
		No - [N]				Limited product	Yes - [J]	Discount - [Z]	-99.00	65
		No - [N]				Limited campaign	Yes - [J]	Discount - [Z]	-99.00	70
DAUERRABATT		No - [N]							0.000	100

Vehicle contract file [X] <on DTINT01>

File Edit History Branch out Extras Window ?

Hack Stefan
A-4962 Mining, Mühlheimerstraße 2; 01/01/2001
RR KFZBD Quote; Valid from: 06/15/2021; EUR; English

German (Austria), P
Captain Kirk (0000835, Dir.: 1) SR

Object Product N-rec. stm. Collection Block Questions PH Serv.addr. Contract Claims Applications 3

List Detail Benef. overv. Technics Entitlem. to ... Premium Ind. agr. Fleet Agent Co-insurance Geoinfo RI Netw. Alloc Policytext BoMa info Premium Mo... TESTMFR 21.0.04b.25

Partially comprehensive insurance

Valid from 06/15/2021 Risk countries allocation... Calc. details... Add. charges PH

Premium / Discount / Surcharge			Amount
Annual premium net excl. discount/surcharge			158.00
+ Restoration surcharge	0.0	%	0.00
+ Surcharge	0.0	%	0.00
- Bundle discount	0.0	%	0.00
- Special discount	0.0	%	0.00
- Discount for long-term insurance	0.0	%	0.00
Annual premium net incl. discount/surcharge			158.00
Annual premium net acc. to paym. frequ.			158.00
+ Frequency surcharge	0.0	%	0.00
+ Insurance tax	19.0	%	30.02
Annual premium gross			188.02

In the ABS Rich Client, the special discount is displayed as the fourth surcharge / discount in the side-tab Premium since based on the order (see PEX screenshot) it is designed this way.

Definitions

PEX

Table

Additional Costs

Product configuration possibilities in detail



Additional costs, e.g. insurance tax, are defined on the class product level. In the entity additional costs TZUSKO_SPEZ, different taxes or fees can be defined in different variants.

The most important attributes are:

- **Country code (POSTLANDSCHL):** definition for which country the additional cost is valid.
- **Class_own (SPARTE_EIGEN):** definition of class_own, e.g. third-party liability, health insurance.
- **Additional cost type (ZUSKART):** definition of one additional cost type, ranging from insurance tax to frequency charge and value added tax, hunter tax, among others.
- **Amount type (BBZBETRART):** definition based on available amount types in the Subledger.
- **Calculation rule (ZUSKRECHENREGEL):** defines how the additional cost is calculated, e.g. by using a core rule, a fixed amount or a customer-specific rule.
- **Additional costs special rule (ZUSKOSPEZREGEL):** this attribute is used if, for example, an exception to a tax needs to be defined. Example: the fire brigade tax in Italy applies for all buildings except for historic buildings. Usually, some customer-specific configuration is required.
- **Percentage (ZUSKPROZ):** definition of a percentage for the additional cost type.
- **Fixed amount (ZUSKFIXBETRAG):** in case of a fee or tax which is not calculated but has a fixed amount to be added during the annual gross premium calculation by ABS Core.
- **Invoicing (ZUSKVORSCHRREGEL):** defines when the additional cost type is calculated in the Subsequent Invoicing, e.g. at each subsequent invoicing, on a one-time basis, etc.
- **Calculation basis (ZUSKBERBASIS):** this attribute defines the basis for the calculation. The amount type in the Booking basis add-on (e.g. N for net premium, N+U for net premium + frequency surcharge) is used as an abbreviation for the definition of the calculation basis.
- **Validity (GILTAB, GILTBIS):** additional costs can underlie a special validity period, which can be entered in these attributes. If there is no limit, the attributes keep their default value (01/01/1900, 31/12/2999). Note that the validity of existing additional costs may not be changed via these two attributes. Modifications to additional costs are handled via the additional costs modification pattern (ZUKOAENDMUST) attribute.

The screenshot shows the SAP interface for configuring additional costs. The top navigation bar includes 'Third party liability', 'Class product', 'Print name', 'Additional costs' (which is highlighted in blue), 'Product surcharge and discount', 'Criteria PMA', and 'Benefit payment offer'. Below this, a tree view shows 'Austria - [A]' expanded, with 'Germany - [D]' and 'United States - [USA]' as children. The main area displays a table of additional cost configurations:

Country code	Class_own	Addl cost type	Amount type	Calculation rule	Fixed amount	Percentage	Invoicing	Calculation basis
Austria - [A]	- MTPL (Motor 3rd Party Liability) - [KH]	- Frequency surcharge - [UZ]	- Frequency s...harge - [U]	- Core rule - [K]	- 0.00	0.0000	Current - [L]	N
Austria - [A]	- MTPL (Motor 3rd Party Liability) - [KH]	- Insurance tax - [VST]	- Insurance tax - [V]	- Core rule - [K]	- 0.00	11.0000	Current - [L]	N+U
Austria - [A]	- MTPL (Motor 3rd Party Liability) - [KH]	- Motor vehicle...tax - [VSTMGB]	- Motor vehic...e tax - [M]	- Customer-s...ule - [R]	- 0.00	0.0000	Current - [L]	

The screen shot above gives a brief idea about third party liability insurance.

There are two options to configure additional costs:



1. Configuration per Class_Own

When using this option, additional costs are automatically added to each class product with the corresponding class_own and are applied to all class products that do not have any entries that are linked via class product key (SPP#) in the additional costs entity.

In the component explorer in PEX, open the additional costs. All available class-owns are displayed. Look for the class_own, e.g. MTPL (which stands for Motor Third Party Liability).



Referring to the previous example, we need an insurance tax of 11 % for the third party liability class product.

The configuration is as follows:

Country Code	A
Class_Own	Already defined
Additional Cost type	VST for insurance tax
Amount Type	V for insurance tax
Calculation Rule	K for Core Rule. It is not required to define a customer-specific rule, as ABS Core provides this functionality.
Fixed Amount	0,00, as the example requires a percentage
Percentage	11%
Invoicing	Current, as the product requirement stipulates. It could also be one-time only, e.g. in case of fees.
Calculation Basis	N+U: Usually the insurance tax is calculated after a frequency surcharge has been applied to the net premium.
Validity	Default values, as there is no limit defined

The insurance tax will be calculated in ABS after the customer-specific rating engine has calculated the net premiums per coverage item. The ABS Core calculation starts on the class level from the annual premium net of discount/surcharges.

As you can see from the screenshot above,, the insurance tax is calculated on the basis of the net premium + the frequency surcharge.



2. Configuration per specific class product

An additional cost is defined for a whole class_own if the class_own is filled. An additional cost is defined for a specific class product only if the SPP# is filled. It is important to note that if a class product has one entry related via spp#, the entries with class_own are no longer applicable for this class product.

If additional costs are only valid for one specific class product and not for the whole class_own with many class products (as in option 1), additional costs can be configured in the entity TZUSKO_SPEZ, the attributive entity of the class product TSP_PRODUKT. The configuration possibilities are the same as described in option 1.

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The premium calculation of a configuration as the one shown in the screenshot below will only use the liability cost for calculation and will omit the ones defined per class_own. Additional costs are stored on the operative side in the entity TZUSKOSTEN on the coverage level.

The screenshot shows a software interface for managing third-party liability. At the top, there are tabs: 'Third party liability', 'Class product', 'Print name', 'Additional costs' (which is selected), 'Product surcharge and discount', 'Criteria PMA', and 'Benefit payment offer'. Below the tabs, there is a tree view under 'Additional costs' showing three countries: Austria - [A], Germany - [D], and United States - [USA]. Under Austria, there are four rows in a table:

Country code	Class_own	Addl cost type	Amount type	Calculation rule	Fixed amount	Percentage	Invoicing
Austria - [A]		Liquidity... - [KOSLK]	Loan intere... ion) - [D]	Core rule - [K]	0.00	5.0000	At each invoicing - [V]
Austria - [A]	MTPL (Mot...y) - [KH]	Frequency...e - [UJZ]	Frequency...ge - [U]	Core rule - [K]	0.00	0.0000	Current - [L]
Austria - [A]	MTPL (Mot...y) - [KH]	Insurance tax - [VST]	Insurance tax - [V]	Core rule - [K]	0.00	11.0000	Current - [L]
Austria - [A]	MTPL (Mot...y) - [KH]	Motor ve... [VSTM]	Motor vehi... tax - [M]	Customer-s...ule - [R]	0.00	0.0000	Current - [L]



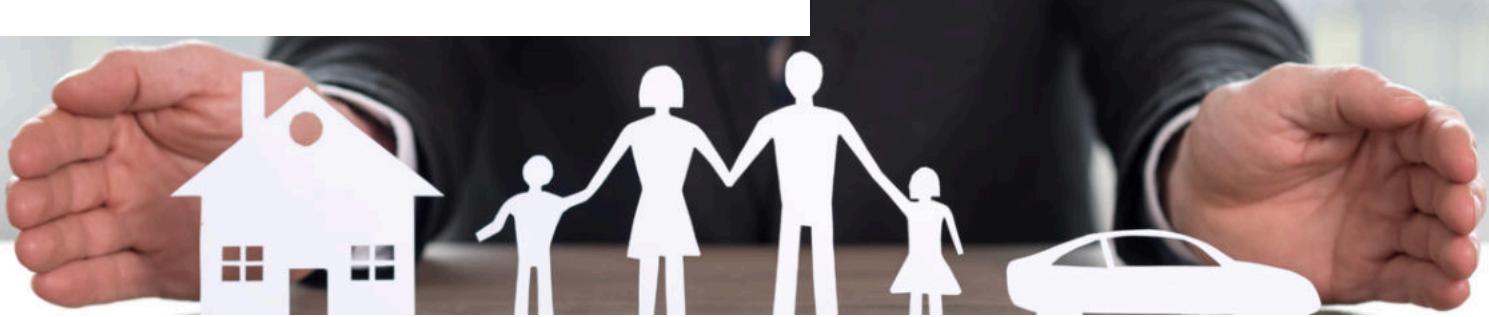
Definitions

Subledger

Booking

Application Questions

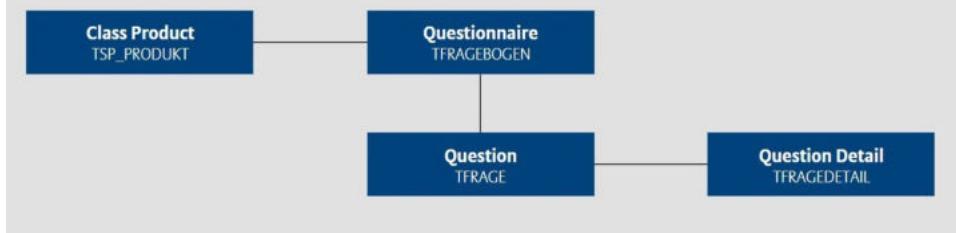
Product configuration possibilities in detail



In PEX, application questions are modeled at the class level.

They involve yes/no questions, values specification or free text.

Additional question details can be defined, for example if a question is answered with a yes, the question details are displayed.



Questions can be reused, specifically raised for persons or properties, as well as be defined as mandatory or optional. Special features of a question in a class product are defined via the questionnaire. Further supported features include sorting, standard reply (yes/no) and control for print. In the questionnaire it is defined if the question is an application or a claim questionnaire.



In the product requirement, two application questions are stipulated for the product third party liability:

Were coverages already rejected for this vehicle?

Do contracts to be canceled exist for the applied risks?

- Third party liability
- Staff discount
- Indver: motor liability
- Exchangeable licence plate suspended
- AKHB 2015
- Exchangeable licence plate
- Motor Liability sum insured
- Motor vehicle bundle advantage VA
- Demand exemption
- Motor not public transportation
- Rejected insurances?
- Contracts to be cancelled?
- Data privacy statement

They are modeled on the class product level for third party liability. As there are no further specifications regarding how the questions should be modeled, it is assumed that they are simple yes/no questions, which do not require a pop-up.

What we know is that these questions are to be asked during the application stage and not in claims.

To add a question, simply click on "Questions" in the component explorer in PEx and add a new question which you can drag and drop to the class product third party liability.

The screenshots on the right are then arranged automatically in PEx.

Rejected insurances?	
Question	Question detail
Short text	Rejected insurances?
Long text	Were coverages already rejected for this vehicle?
Internal name	ABGEL
Yes/no answer	Yes - [J]
Number of possible answers	999
Object related	No - [X]
Supplement	No pop-up - [X]
Program name	
Program parameters	
FR#	03232cc0-1698-11ce-8000-010157aa0000

Question

Motor Vehicle ADLS/Third party liability/Rejected insurances?	
Questionnaire	
Questionnaire type	Application questionnaire - [A]
Sort order	1
Voluntary	Voluntary - [J]
Relation date (validity)	Current date - [T]
Default value	No - [N]
Print answer	Do not print anytime - [N]
Apply answer	New if answer is "No" - [I]
Product component sequence number	0
Platform	All platforms - [A]
Person role	No - [N]
Event question	01/01/0001
Validity start date	12/31/9999
Validity end date	03232cc0-1698-11ce-8000-010157aa0000
FR#	236da96a-fd54-11e4-b57f-005056b40019
SPPE#	
ART_ESP#	

Questionnaire



Knowledge Check

What happens if an insurance product or class products are invalid?

They are not actively offered for new business, and product conversions to these products are not permitted.

Where are taxes defined?

In the entity "additional costs"

What is the configuration option for additional costs?

Class_own and specific class product

Sort Order, Display Level & Hierarchies

The product template and its possibilities



The product template is a versatile entity with numerous possibilities to configure a product component in a context-specific way. The following sections will explain the most important attributes of the product template.



Sort Order & Display Level

The **sort order** usually defines in which order product components, class products or discounts and surcharges appear in the ABS Rich Client. The range is generally from 0-99999.

The sort order on the product template level has a surprise in store: if the sort order is set to 0, the product component is not displayed in the product detail page. Still, it does exist and is persisted in the database.

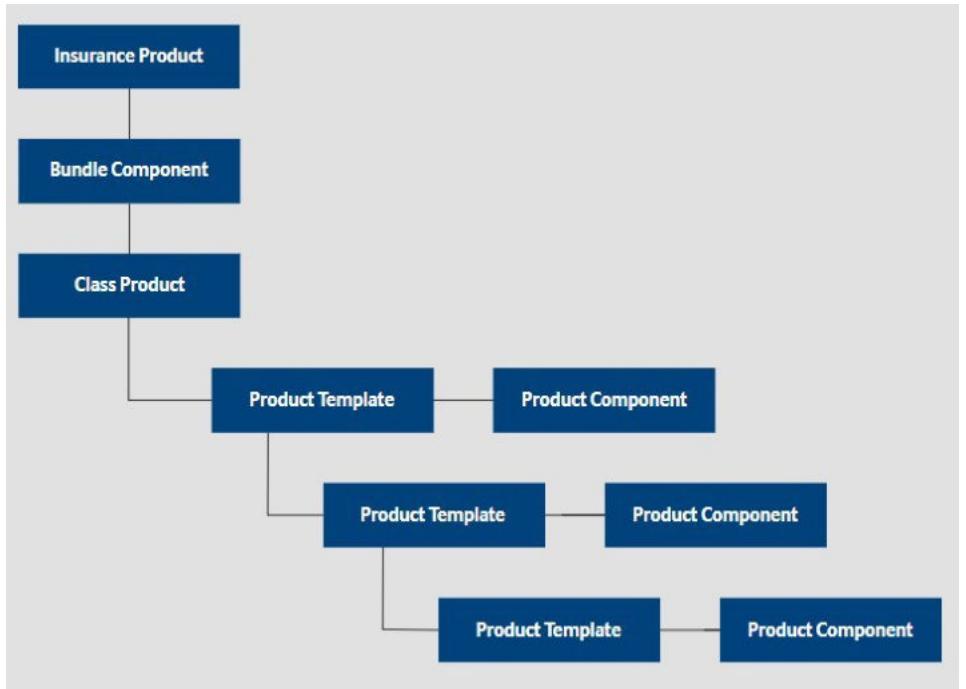
The **display level** shows the hierarchy level of a product component. The hierarchy levels are displayed as indents on the ABS product detail page.



Hierarchies

Furthermore, the selection of a quote template depends on the selected insurance product in the product selection pop-up. Specific authorization is required in ABS to allow a user to create a quote template. It is only available for the insurance product for which it was created. The insured objects in the quote template are then replaced with the actual objects to be insured once an application based on the quote template has been created.

- It is possible to arrange the product components in hierarchies, thereby enabling the creation of relationships among them, up to a maximum of six hierarchy levels.
- As such, it is possible to configure functional dependencies, which determine the way in which product components can be selected in the contract file in the ABS Rich Client. Components from a lower level can only be selected when their higher-level element is selected.



- In the class product fully comprehensive insurance the product component "Collision Comprehensive" contains the product component "Optimized Deductible". On display level 3, below the "Optimized Deductible", the product component "Deductible accidental damage" is displayed.



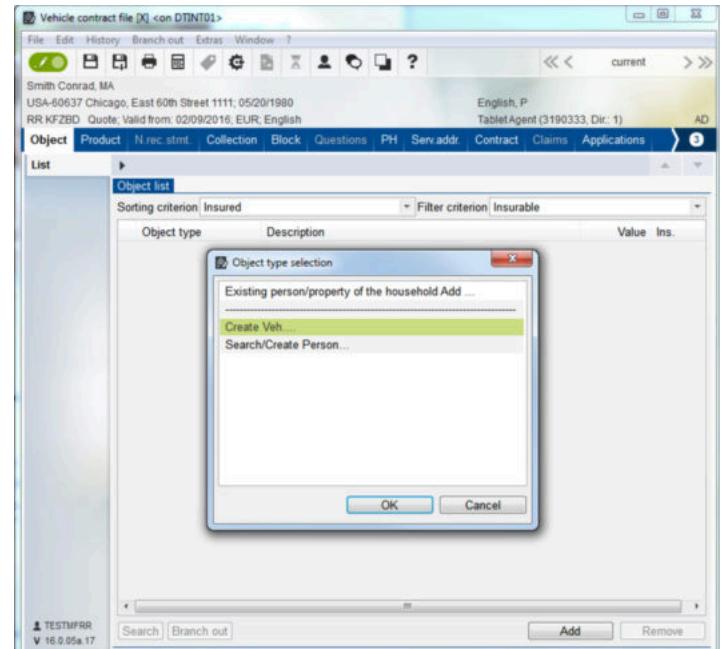
Object Type

The product template and its possibilities



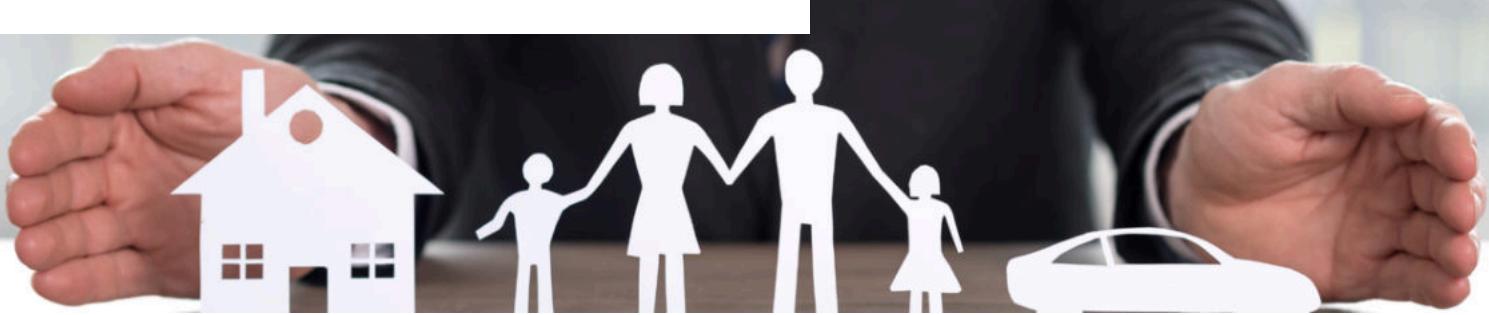
The object type defines which objects can be insured in general.

- For example, in the motor vehicle insurance product, all objects types (usually vehicle), which have been configured in the product templates referring to the class products, are displayed in the insured object pop-up. Only one object type per product template can be defined.
- Furthermore, it is defined how many insured objects in a contract can be selected.



Product Filtering

The product template and its possibilities



i

Product filtering functionality allows the product developer to configure which insured object shall be eligible for a specific product component.

With this functionality it is possible to display a product component in the product detail list based on detailed insured objects. If the selected object to be insured does not have the necessary object types, as defined in the product template, then the product component will not be displayed in the product list in the ABS Rich Client.

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In other words, the corresponding product component is displayed and can be selected by the clerk, depending on the defined risks.

!

For the assistance for trucks product component, only non-private vehicles are insurable. If the clerk selects a vehicle, for example, a BMW, the assistance for trucks product component will not be visible in the product detail page, as it is not a truck. If the insured object is changed to truck, assistance for trucks is displayed again.

To achieve product filtering, it is necessary to configure the product filter properties attribute and the product filter property entity.

The attribute product filter properties defines whether the object is:

- An object in the context: the object is directly assigned to a coverage item, or the coverage with the object in question is subordinate to a coverage item above)
- A simple object
- A main object: when more than one objects are available. Example: two motor vehicles are within a contract (they have interchangeable license plates) but for the premium calculation only the vehicle that has the higher horse power is of relevance.

To configure the example above, the product filter property is set to "Only at insurable objects with one of the given object types or risk IDs". In the product filter entity, the type is truck. The role is filled with "no particular task" for example (customer-specific value) and the risk ID is "All" (XXXXXXXX).

A risk ID is a 8-digit number to identify insured objects or persons customer-specifically. For example a car with red color has the risk ID 12345678. The customer needs to program the allocation of the risk ID to the insured object.

Furthermore, how many objects can be insured is also configurable. This is detailed in the attributes maximum and minimum number of objects insured. Note that Product Components which are classified as instance components always have the min and max number of insured objects of 1.

!

Going back to our product requirements, the product component deductible for motorcycle in the class product fully comprehensive insurance is valid only for motorcycles. The product filter properties are set to "Only for main object with one of the given object types/ RiskIDs". This attribute defines how the product filter property entity needs to be interpreted.

Product Filtering on Class Product Level

Here product requirement for third party liability insurance is only valid for cars. This means that the product filtering needs to be applied on the class product level.

As the main component is always mandatory, so that a class product can be selected, we need to define the product filter on the main component.

In the product filter properties entity, the type of motorcycles and the roles are defined as shown in the screenshot next.

The same procedure for cars applies to the deductible for cars in the fully comprehensive insurance class product, as well as for partially comprehensive insurance.

For this purpose, we define the following:

- Product filter properties: only at insurable objects with one of the given object types/risk IDs
- In the product filter property entity, we define the types of objects for which the class product is valid: car, with applicable roles.

The class product partially comprehensive insurance requires that it is not valid for motorcycles.

- Product filter: Only with the existence of an insurable object which is NOT among the insurable object types/risk IDs.
- In the entity product filter property, motorcycle is defined.

Sum Insured

The product template and its possibilities



This section in the product template is important for defining minimum and maximum insured sums, as well as default sums or amounts.

It works in close collaboration with the sum type situated on the product component TPRODBAUSTEIN. Here, which kind of sum type the product component shall hold is defined, e.g. insured sum, deductible. For the product component deductible elemental damage in the class product partially comprehensive insurance the product component is defined as per the screenshot right.

Apart from the minimum and maximum sum insured or deductible amount, etc., the standard (or default) sum can be entered. The sum entered in this field will be displayed at first in the product detail page in the ABS Rich Client. Other sums can be selected according to the increment value. The increment value defines the step size of the amounts or sums in which the sum insured or the deductible can be entered in the ABS Rich Client.

The screenshot shows the configuration of a product component named 'Deductible Elemental Damage'. The 'Component identification' tab is active, displaying fields for Description (Deductible Elemental Damage), Short name (47215), Product component sequence number (47215), and Component type (Legal and other clauses - [R]). The 'Display' tab is also visible, showing the 'Sum type' field set to 'Deductible - [SBH]' (highlighted in green). The 'Other' tab contains fields for Index type, Commission group, Additional information, CMS text available (No - [N]), and PB# (be8821f8-b912-11e4-a8bd-9cb654a10ad3).

The sum input method allows you to specify the way sums can be entered, for example by manual input or a value selection via drop-down.



A clerk can select from a range of deductibles for elemental damage in the class product partially comprehensive insurance of 100€, 150€, 280€, 350€ and 500€. The product component named deductible elemental damage is set to sum type deductible.

In the product template, the minimum sum, maximum sum and default sum are defined as required. The sum input method is set to sum limits. In the sums entity, the deductible sums are defined as 100€, 150€, 280€, 350€ and 500€.

Check the slider for more information

Motor Vehicle ADLS\Partially comprehensive insurance\Partial comprehensive\Insured Cars\Deductible Elemental Damage

Product template	Product Template ...	Sums	Limits	Surcharge/discount	Insurable object	Product filter p...	Add-on control	Target groups	Rules	Concession component	»3																																																														
<table border="1"> <tr><td>Object type</td><td>No insured object - [X]</td></tr> <tr><td>Product filter properties</td><td>No constraint - [K]</td></tr> <tr><td>Product filter property types</td><td>No insured object - [X]</td></tr> <tr><td>Max. number insured objects</td><td>0</td></tr> <tr><td>Min. number insured objects</td><td>0</td></tr> <tr><td colspan="12">Sum insured</td></tr> <tr><td>Min. sum insured</td><td>100.00</td></tr> <tr><td>Max. sum insured</td><td>500.00</td></tr> <tr><td>Default sum insured</td><td>150.00</td></tr> <tr><td>Increment value</td><td>0.00</td></tr> <tr><td colspan="12">Gültigkeit</td></tr> <tr><td>Validity start date</td><td>01/01/1900</td></tr> <tr><td>Validity end date</td><td>12/31/2999</td></tr> <tr><td>Effective start date</td><td>01/01/1900</td></tr> <tr><td>Effective end date</td><td>12/31/2999</td></tr> <tr><td colspan="12">Other</td></tr> </table>												Object type	No insured object - [X]	Product filter properties	No constraint - [K]	Product filter property types	No insured object - [X]	Max. number insured objects	0	Min. number insured objects	0	Sum insured												Min. sum insured	100.00	Max. sum insured	500.00	Default sum insured	150.00	Increment value	0.00	Gültigkeit												Validity start date	01/01/1900	Validity end date	12/31/2999	Effective start date	01/01/1900	Effective end date	12/31/2999	Other											
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Other																																																																									

Motor Vehicle ADLS\Partially comprehensive insurance\Partial comprehensive\Insured Cars\Deductible Elemental Damage

Product template	Sums	Limits	Surcharge/discount	Insurable object	Product filter p...	Add-on control	Target groups	Rules	Concession component	»3
Sum	Validity start date	Validity end date	Effective start date	Effective end date	PSCHABL	SUGRF				
100.00	01/01/1900	12/31/2999	01/01/1900	12/31/2999	94ae754b-dbdb-11e5-af0	37e9fe1c				
150.00	01/01/1900	12/31/2999	01/01/1900	12/31/2999	94ae754b-dbdb-11e5-af0	3b40f041				
280.00	01/01/1900	12/31/2999	01/01/1900	12/31/2999	94ae754b-dbdb-11e5-af0	3e35a5d3				
350.00	01/01/1900	12/31/2999	01/01/1900	12/31/2999	94ae754b-dbdb-11e5-af0	41194dc				
500.00	01/01/1900	12/31/2999	01/01/1900	12/31/2999	94ae754b-dbdb-11e5-af0	45aec5d				

Validity Dates

The product template and its possibilities



Using validity dates, a product template can be set for a specific time range or invalid from a specific date onward.

- The validity start date and the validity end date define when a product template refers to the actual date. The effective start and end date are the effective dates when an insurance contract is valid.
- If the validity end date of the product template is not valid anymore in comparison with the actual date, the product component will not be displayed anymore in the product detail list of the ABS Rich Client in case of new business.

Text Components and Individual Agreements

The product template and its possibilities



Text components are added below product components.

- Various text component types can be selected, for example terms and conditions, text for value adjustment letters, etc.
- For individual agreements, as required for the class product third party liability, the text component type has to be set to INDVER and has to be related to a product component.

The screenshot displays the software interface for managing text components. The top navigation bar includes File, Edit, View, Translator, Modification log, Validations, and Thunderhead. The left side features the Component Explorer with a tree view of product components, including 'motor' and 'Text components'. The right side shows the Structure Explorer with detailed information for 'Car Leasing' under 'Motor Vehicle ADLS', listing various risk categories and specific items like 'AKIB 2015' and 'Demand exemption'. Below these is the Component List, which is a table titled 'Component List (for sorting)' with columns for Name, Sort order, PB#, and TXTBSTM#. The table contains two entries: one for 'Car Leasing' with sort order 0, PB# 4fe662e4-9014-11d2-8000-010157aa0000, and another for 'Motor vehicle bundle advantage VA' with sort order 1, PB# ab07012e-d9f6-11e5-867a-00059a3c7a00.



Definition

Individual Agreement

PEX Modeling Techniques

The product template and its possibilities



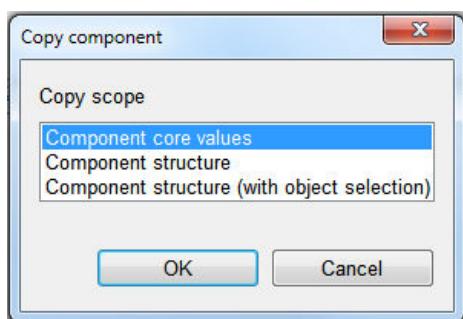
PEX Modeling Techniques

Copy and paste of entire product structures is a PEx feature that allows users to easily copy:

1. Entire insurance products with their class products and product components
2. Class products with their underlying product components
3. Product components on their own

To do so, the product element to be copied must first be selected and highlighted. With a right-click, the context menu pops up where you click the copy function. With a subsequent right-click on the next upper node, which is in this case the node class products, you then click the paste function.

A new pop-up window appears prompting you to select the copy scope. You can select between component core values, component structure, or component structure with object selection.



Component core values

Component core values means that only the values of the selected product component, the class product or the insurance product will be copied over. With this option, neither product templates nor bundle components will be copied over. This also means that no dependencies, like for example between class product and product components, in other words, the product components which are modeled below the class product, will be copied over.

Component Structure

Component structure means that all bundle components and/or product templates for the copied insurance product, class product or product component will be copied over. In other words, the entire existing product structure, including all defined pre-allocations and dependencies on bundle components and product templates will be copied over and can be immediately reused.

Component Structure with object selection

It means that a new pop-up window is displayed, in which you can define which underlying objects shall not be copied over.



Reuse of Products and or Product Components

If a product component used inside a class product is to be reused in another class product, you can simply move or drag and drop it accordingly.



The products fully and partially comprehensive insurance both contain the 2015 terms and conditions. Furthermore, in the partially comprehensive insurance, additional terms and conditions named EKB 2015 are required.

By virtue of the reusability feature of the product model, the AFIB 2015 product

For EKB 2015, you can copy the existing AFIB 2015 product component. In

Now you can configure the product component as required, for example by

component can be used in both products just by dragging and dropping it from the component explorer to the structure explorer below both Class Products.

the component explorer, highlight the AFIB2015 legal clause and drag it under the new partly comprehensive insurance class product.

selecting dependencies, insured objects, insured sums or validity of the product component in the new class product.

The new product component is renamed to EKB 2015.

!
If you rename the component AFIB 2015 to EKB 2015 (without creating a duplicate first), the previously used original product component, which is used in the fully comprehensive insurance class product, will also be renamed. Be aware of implications in the reuse of product components, or even the changing of previously reused ones. In PEX, on the lower left side, changes affect ALL products where the specific product (insurance product, class product, product component) is used. Changes on the lower right side only affect the product within the specific class product or insurance product.



Modularity of Products

Product components are built and modeled in a modular manner and are reused throughout different products by using product templates. This dramatically reduces the effort to create and model new products.

And it further supports a high degree of standardization in product modeling. Since they are configurable even after reuse, product components maintain the necessary flexibility to meet the requirements of different products.



Knowledge Check

What happens if the sort order in the product template is set to 0?

The product component is not displayed in the product detail page in ABS Rich Client.

Which functionalities displayed in the product list and risk list are modeled in PEx?

Listing of the possible Class Products and Product Components,

Automatic allocation or selection possibility of insured objects,

Product components eligible for specific insured objects due to product filtering; if not eligible, product component are not displayed,

Selection of possible product components in a drop-down list box if one component has to be selected mandatory,

Mandatory elements are disabled and cannot be selected or deselected in the product list,

Display of sum values:

- Display of sum type

- Validation for minimum and maximum sum values

- Drop-down list boxes for possible sums

- "Recorder controls" for sums with increment values



Definitions

Bundle

Class Product

Insurance Product

Calculation of Net Premium at Product Component Level

Principles of premium calculation in ABS



i

The basic information for premium calculation is defined and configured in the product model. The calculation of the premium occurs from bottom to top, meaning from coverage item to coverage.

The calculation starts at the bottom, the coverage item level. Based on the rate of each product component, the annual base premium net of each coverage item is calculated.

ABS offers several premium calculation options on the coverage item level:

1. Manual entry by clerk (expert file only)
2. Calculation depending on several entities, where factors, amounts or percentages can be calculated per coverage item
3. Connection to an external rating engine via the Core interface (e.g. Radar Live, Calculus Prime)

- All coverage items have an annual rate premium from the start. The rating of each coverage item is customer-specific and is influenced by various factors.
- A premium on the coverage item level is heavily influenced by the class and the class product. In the area of P&C insurance especially, the insured object determines the premium. In personal insurance, like health or life insurance, the focus is on the insured sum and the insured risk, determined by the insured person.

At the product template level, the following information can be modeled:

- Limit totals, such as a minimum of 100 and maximum of 200 sum insured
- Insurable object type
- Range of sum insured
- Rate fundamentals
- Type of premium calculation (manual or automatic)
- Regulation of value adjustment
- Product filter, for the choice of product components, for example based on company type or vehicle type

At the product component level, the amount type, e.g. sum insured or deductible, can be configured to determine a premium.

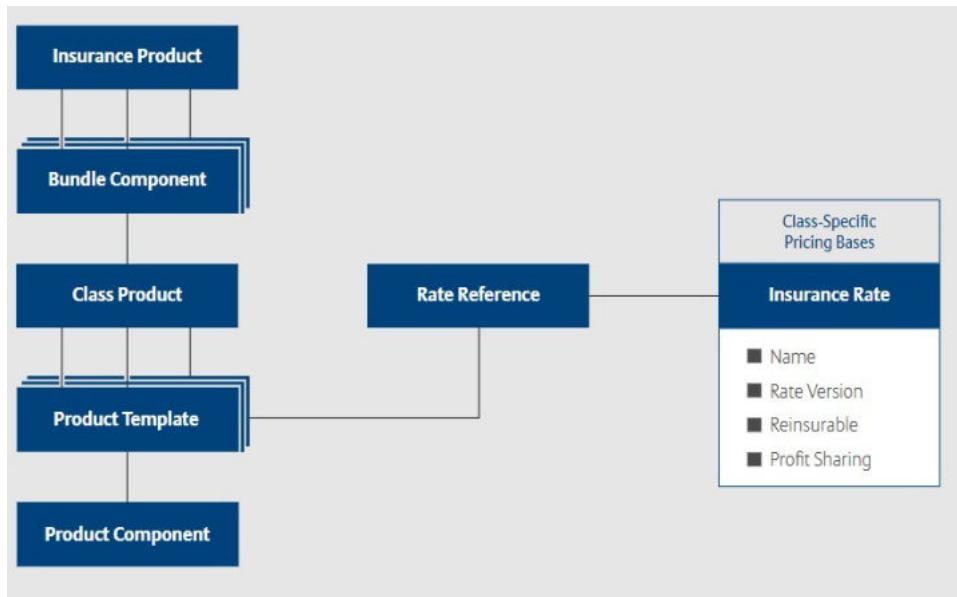
The type of premium calculation is defined per product template in the premium calculation (KZPRAEMBERBST) attribute. The most important ones are:

- Automatic premium calculation [A]
- Fixed premium [F]
- Per mil [M] (the clerk can predetermine an insurance sum and a per mill value for the premium)
- Percentage [P]
- No premium [N]

At the component level, premium calculation takes place as follows:

- Multiple insurance rates can be assigned to every product template
- Additional checks are performed by means of the rate fundamentals, e.g. is the rate insurable, how is profit sharing processed, etc.

Whether the relevant product component can be taken into account for tax collection is also configurable at the product template level.

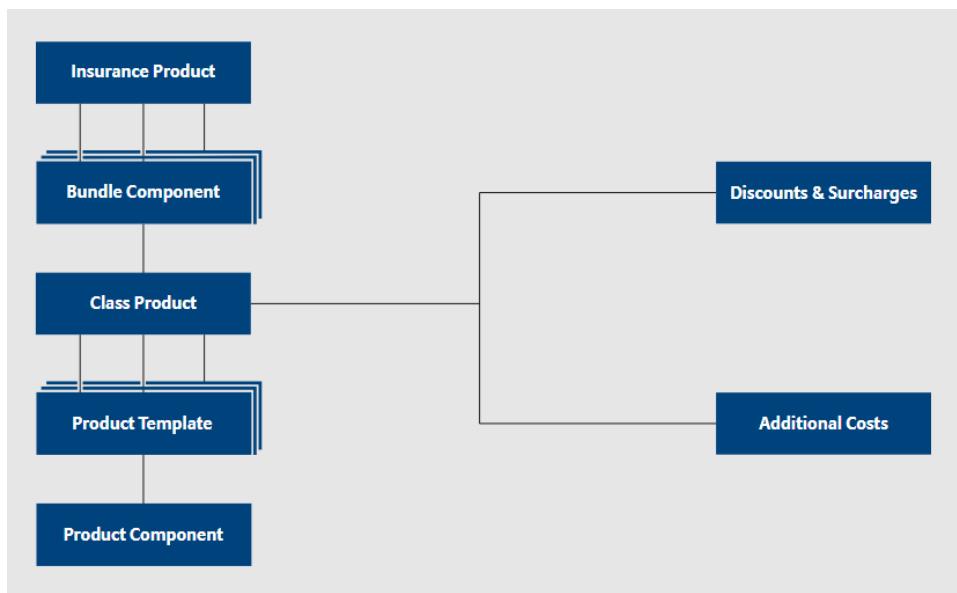


Calculation of Net Premium at the Class Product Level

Input for the calculation of premiums on class product level is the sum of all annual base premiums net, calculated at the coverage item level.

On class product level, discounts and surcharges, taxes (insurance tax, fire protection tax, etc.), frequency surcharge or other additional costs are included in the premium calculation and either deducted or added to the annual base premium net.

The deduction or addition is calculated according to the amount (fixed amount/percent) and the period (validity) of the additional costs or discounts and surcharges.





Influences of Insurance Product on Calculation of Premium

The following parameters have an influence on the premium calculation on insurance product level.



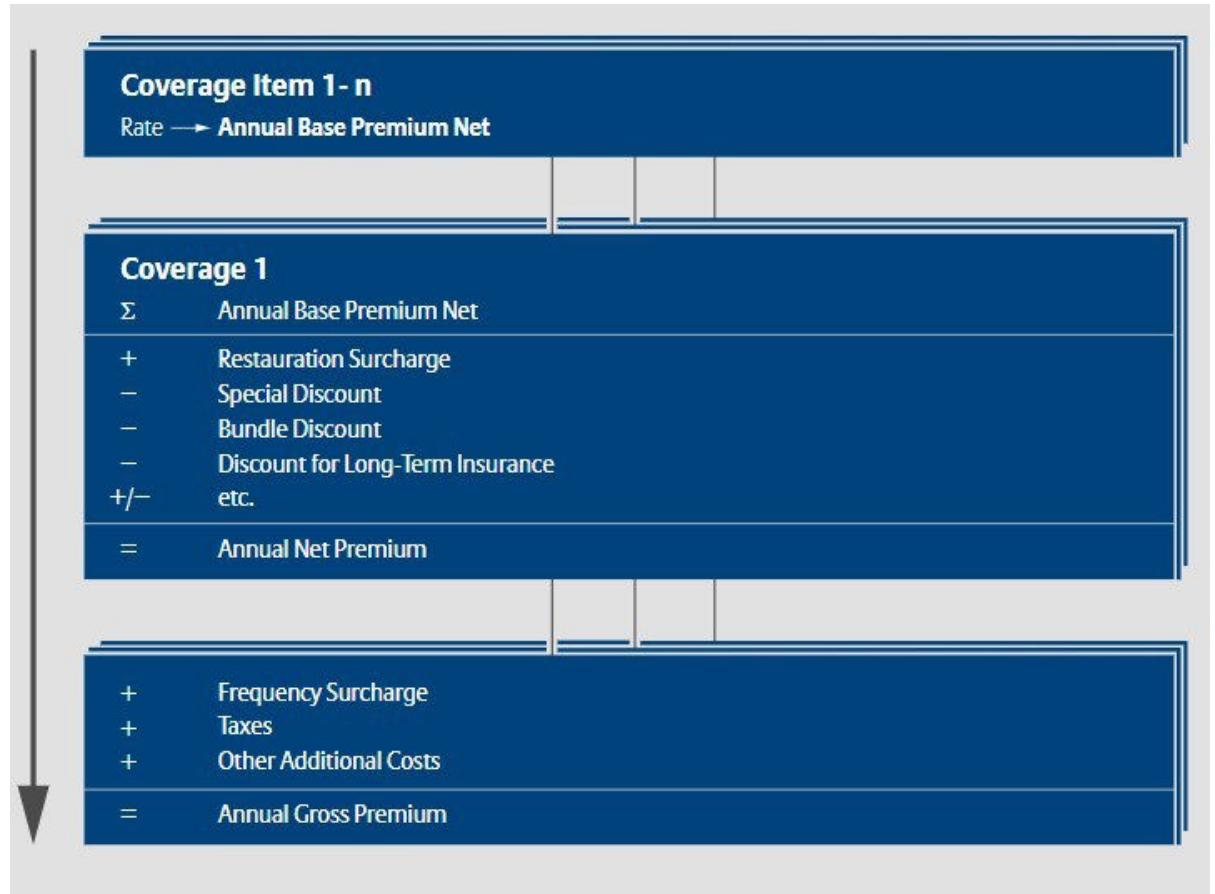
- Minimum premium
- Minimum subsequent premium
- Rate class: the rate class restricts the insurance product to a specific rate class that makes it possible to customize rates for a specific customer group
- Currency



Premium Calculation Process

Premium calculation works as follows in ABS:

- The smallest unit that serves as a basis for the premium calculation is configured at the product component level, in the annual net base premium attribute (in the coverage item entity TPRODAUS). The basis for the premium calculation at the coverage level is defined by the sum of all annual net base premiums of the corresponding product components.
- The result is the actual annual net premium.
- Frequency surcharges, additional costs and taxes are added to or subtracted from the actual annual net premium. The result is the annual gross premium per coverage.
- It is important to note here that the annual net base premiums on coverage item level have to be calculated on ABS customer side (the customer is responsible for the rating engine integration of the rating engine of his choice). The ABS Core premium calculation starts from class product level, taking the sum of the annual base premiums net as starting point for the calculation.
- Special percentage values, discounts for long-term insurance, bundle discounts, concession discounts and restoration surcharges are added to or subtracted from the sum of all the annual net base premiums.
- The ABS Core premium calculation procedure starting from class product level is specified by the Core and always executed in accordance with the same process. The sum of all annual gross premiums of all coverages is invoiced.



Knowledge Check

What are the premium calculation options on coverage item level?

Manual entry by clerk in expert file, calculation depending on several entities, connection to an external rating engine via the ABS Core interface



Definitions

Product

Claim Creation, Duplicate Claim Check, Dialog Control

Claim Creation



The screenshot shows a software application window titled 'Create a Claim'. In the top left corner, there is a small icon of a person with a briefcase. The main area contains several input fields and tabs. One tab is labeled 'Person' and another is labeled 'Contract'. A red box highlights the 'Person' tab. Another red box highlights the 'First name' field, which contains the value 'Conrad'. Other visible fields include 'Name' (Smith), 'Country' (Austria), 'Type' (Natural), and various date and ID fields.

There are **four** ways to create a new claim in ABS:

1. General Search file

The most common way to create a claim in the ABS Rich Client is through the general search file, since the clerks answering the telephone do not know what the business object is in advance.

2. Person file

Another way to create a new claim is through the person file. To do so, click the person tile to launch the person search. In the person file – top-tab contract – new claims can be created for the selected contract.

3. Contract file

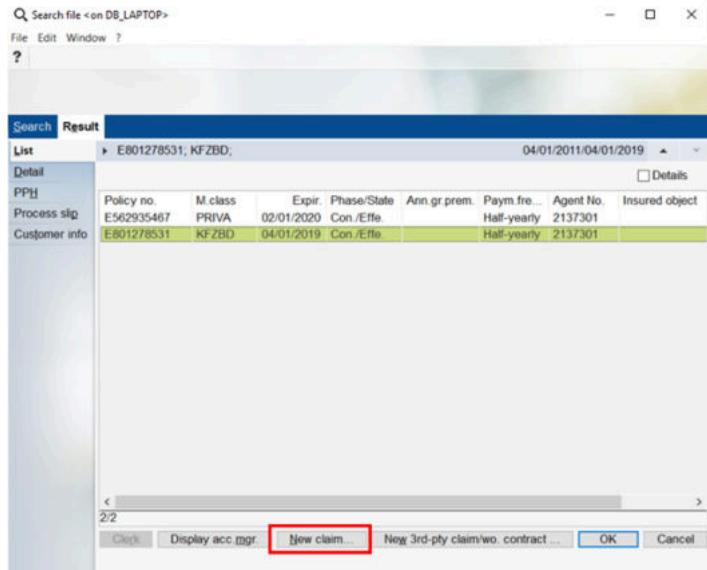
A new claim can also be created through the associated contract. Click the contract tile to launch the contract. In the contract file a new claim can then be created in the claims top-tab.

4. Claim Search file

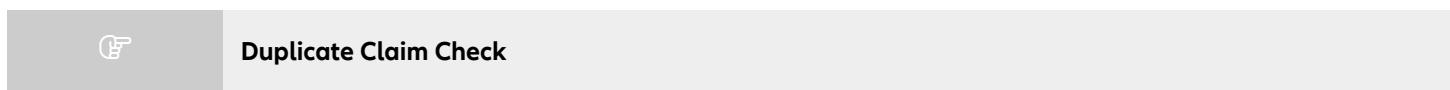
The fourth option for creating a new claim is through the claim search file. To do so, click the claim.

The screenshot shows a software application window titled 'Search file <on DB_LAPTOP>'. It has tabs for 'Search' and 'Result'. The 'Search' tab is active. Under the 'Person' section, the 'Name' field is filled with 'Smith' and the 'First name' field is filled with 'Conrad'. Both of these fields have a red border around them. Below this, there are sections for 'Contract' and 'Overall search criteria'. At the bottom of the search bar, there are several buttons: 'Person search' (disabled), 'Contract search' (highlighted with a red border), 'Claim search', 'Exp opinion search', 'Feedback search', 'Anonymous feedback', and 'Reset search criteria'.

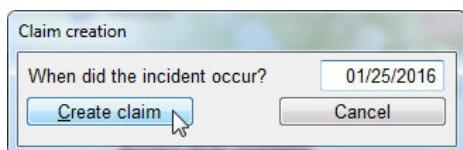
The clerk chooses to search for claims for the customer Conrad Smith via the general search file. First the clerk enters the name of the customer, then the clerk clicks on the button contract search.



The client shows the result of the search in the top-tab result. The clerk now selects the right contract and hits the button new claim.



Upon creating a new claim, the incident date needs to be entered.



Based on the date entered, ABS checks for duplicate claims based on the incident date plus or minus nine days. The check considers only claims for the selected contract. Note, that regardless which of the four ways of claim creation a user chooses, the double claim check is performed.

The system check takes place online and during batch processing, upon creation and upon any subsequent change to the claim date.

If duplicate claims are detected, the ABS Rich Client displays a list of claims falling within the nine-day interval. The user can then decide to either continue with the new claim creation, or to branch out to one of the found duplicate claims.

The data range plus/minus nine days is the system default. It can be changed if needed by ABS Core customers using ABS Core extension points. Change via configuration is not possible.





Since the notified claim is a different one, the clerk clicks on "Create claim" in order to continue with the creation of a new claim.

Dialog Control

Dialog control entails guiding the user, wizard-like, through the claim creation process, with questions to be answered in the first three top-tabs.

Questions with visual cues are used to show which information needs to be provided by the customer (or reporting party) within the conversation, as opposed to which information must be provided by the clerk.

1 These black triangles with an exclamation mark are an indicator that the clerk has to answer it and not to ask the customer on the phone.

For the first three top tabs the labels of the fields are either questions or commands to guide a clerk through claim creation via phone. Black triangle with exclamation mark tells the clerk that he/she has to answer it and not to ask the customer on the phone.

The minimum data to be entered when creating a claim are:

1. Claim date
2. Class
3. Loss type
4. Loss cause

Claims further require information regarding the time and location of the loss. The ABS Rich Client provides event status documentation.

Event or claim questions are displayed in anticipation of a response from the customer/reporter.

Sometimes it is necessary to provide functionality to accommodate police reports. Sometimes other insurance companies are involved in third-party claims, in which case it is necessary to enter the other insurance company's information.



Knowledge Check

Which are the mimimum data to be entered by the claim handler for creation of a claim?

- Claim date
- Class
- Loss type
- Loss cause

Where can a claim be entered in ABS?

In the general search file, in the person file, in the contract file, in the claim search file

At what triggers does the duplicate claim check take place?

It happens online and during batch processing, upon creation and upon any subsequent change to the claim date.

What is the meaning of the dialog control in the claim file?

To guide the clerk through the conversation with the customer or reporting party.

In the first three top-taps (notice, property, person) the labels of the fields are either questions or commands as a guideline for the clerk during claim creation.



Definitions

[Business Object](#)

[Contract](#)

[Claim](#)

Further Claim Creation, Properties, Person Relationship Between Claim and Event



It is necessary to create a separate claim for each affected class since only one class per claim can be captured. (exception: multi coverage claims).



Conrad Smith causes a rear end collision on the highway with two involved persons and one witness. Timothy Barnes is an injured party and there is one other person with a slight injury.

The police has recorded the incident and Conrad reports the claim to Allianz by telephone.

Let's assume that Conrad Smith owns a third party liability coverage and a collision comprehensive coverage at Allianz.

According to the foregoing example, there would be one claim for the motor vehicle liability class which covers the damage to Timothy's car, plus another one for the collision comprehensive class which covers the damage to Conrad's own car. Since there are two different claims there needs to be a link between these claims because they belong to the same incident.

The screenshot shows the ABS software interface for managing insurance claims. The main window title is "Claim file [A801234567/2019 1500032] <on DTCOR91>". The top menu includes File, Edit, Branch out, Partner, Extras, Window, and Help. The user is logged in as "Hanbauer Gerhard" from "A-7023 Pöttsching, Aukette 33, 02/22/1949 /p3003946". The status bar indicates "German (Austria), AB01 Car Dealers (AU) / varga (3911610, Dir. 2)" and "TA". The left sidebar contains links for Notice, Property, Person, Contract, Coverage, Claim, Questionnaire, Further claims, Settlement, and Costing. The "Further claims" tab is currently selected. The main content area displays a table of additional claims:

Policy no.	Claim no.	Class	Damage date	Benefit	Provision	Closing da
A801234567	2019 1500032	KK	06/03/2019	0.00	0.00	
Sum						0.00

In ABS such claims are linked together via the event. The event is a functional object on its own, similar as the claim and other functional objects (e.g. contract and person). Accordingly, an event is created in ABS for every new claim which is not created as a further claim. In the example, the clerk starts therefore with creation of the claim for one of the affected classes, e.g. the motor vehicle liability class.

The clerk chooses one of the four claim creation options. The system creates, in addition to the claim, also an event. Then the clerk continues and creates a further claim for the collision comprehensive class. This is done within the claim file under the top tab "Further claims". Creating a further claim means to create another claim under the same event.

After having created also the second claim, the situation from a technical perspective looks like shown in the picture next to it (there is only claim 1 and claim 2 in the example):



Data related to the event can be seen in top-tab notice:

- Data about who is reporting the event
- Data about the medium the event was notified
- Description of the event
- Time and place
- Police report
- Event related questions

As per the foregoing example:

- In the motor liability class, only Timothy Barnes's car is relevant, as the motor liability class generally covers damages to the vehicle of the other party.
- In the comprehensive insurance class, only Conrad Smith's insured vehicle is relevant, as the comprehensive insurance class generally covers the damages to the vehicle insured in the respective contract.
- The same holds true for persons like the policy holder, the insured person, the injured party, the witness, etc.

Also data about the involved persons and properties is event-related. It is possible for each claim to label the involved persons and/or properties – which are per definition related to the event – of functional relevance for the individual claim.

The labeling of persons or properties that are relevant to a given claim can be performed respectively in the person-claim relation or the property-claim relation.

Notice Conrad's car which is marked with an asterisk? This indicates that it is the vehicle insured in the contract. It also contains a status which is set to "Damage". The vehicle of the other party, so Timothys car, is listed below. It bears the status of "glass damage".

Notice also the unchecked check box. This is where the claim clerk can label a property as relevant for the present claim. Since this claim has to do with comprehensive insurance, only the policy holder's vehicle, that is to say Conrad's Smith's car, is relevant. As such, the check box is un-checked for Timothys car.

Vice versa for the motor liability claim, Timothy Barnes's car would be relevant in which case the check box needs to be checked.

From a functional point of view, a given claim is always related to an event and properties. Within the data model, with regard to certain entities and their relations, it works as follows. If a clerk adds a property in the claim file, the property is linked to the event through the involved property associative entity (TBETRSACHE).

The advantage of this linkage is that involved properties have to be created only once per event. Therefore such objects do not need to be created more than once per event (meaning once per claim).

In the top-tab person, side-tab list, all persons related to the event are shown. This is similar as for the involved properties.

Properties linked to events through the involved properties associative entity can be indirectly linked to a single claim. If the check box (see above screenshot) is checked, the involved property is relevant for the current claim. The relation between claim and involved property is established in this case (entry in TSACHSCHADBEZ).



Claim file [RR8000073387/2016 1000000] <on DTINT01>

File **Debug** **Edit** **Branch out** **Partner** **Etras** **Window** ?

Smith Conrad, MA
USA-60637 Chicago, East 60th Street 1111; 05/20/1980
RR8000073387 / 2016 1000000, CL, Collision with vehicle, 01/25/2016, For approval... English, P
TabletAgent (3190333, Dir.: 1) AD

Notice **Prop** **Person** **Contract** **Coverage** **Claim** **Further claims** **Settlement** **Costing** **Account** **Annuity**

List

Master data

Bank/CA

Control

3rd-party contract

Questions

Rel. claims

Diagnosis

Daily allow.

Which persons are involved in the incident?

Person	Roles
<input checked="" type="checkbox"/> Smith Conrad, MA; USA-60637 Chicago, East 60th Street 1111; 05/20/1980	PH
<input checked="" type="checkbox"/> Barnes Timothy; USA-90807 Long Beach, Quincy Avenue 185/304, 01/01/2001	Injured party, Owner

Branch out **Add...** **Ins. person** **Relation...** **Add incomplete** **Complete...** **Remove**

Person detail

Roles: Injured party Owner

What is the person's state of health? _____

Which bank account of the person is the favored one? _____

What client reference should be used for communication? _____

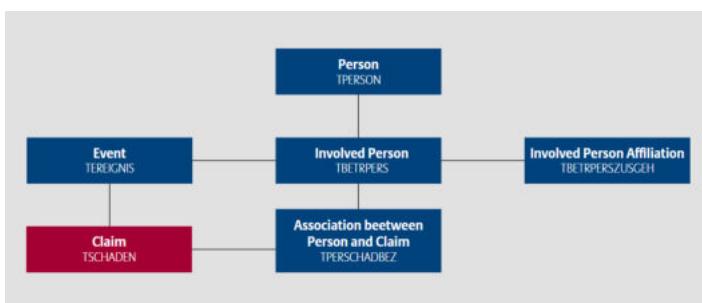
What communication data of this person is known?

Commtyp	Number/Address	Type	Communication note	Preferred	Purpose
Add					
Remove					
Print Copy Save					

TESTMFRR
V 16.0.05a.23

Similar as for the involved properties, the clerk has to indicate by using the check boxes whether a person is related to the claim (check-box is checked) or not (check-box is not checked).

When a clerk adds a person to the claim file, that person is linked to the event through the involved person associative entity (TBETRPPERS).



The advantage of this linkage is that the same as for the involved properties, which is that the involved persons have to be created only once per event and not once per claim.

Note, that it is mandatory for every involved person to have at least one role selected (eg. injured party, witness). Up to four different roles are possible.

Persons linked to events through the involved persons associative entity (TBETRPERS) can be indirectly linked to a single claim. If the check box (see above screenshot) is checked, the involved person is relevant for the current claim. The relation between claim and involved person is established in this case (entry in TSACHSCHADBEZ).

Involved persons can be related to each other as well. For example, it can be used to show who is the policy holder's lawyer or which repair shop the injured party is using.

This type of relation is used in cases with multiple involved persons for a better overview, especially with regard to correspondence. The assignment of involved persons among each other is resolved by means of the involved persons affiliation entity (TBETRPERSZUSGEH).

A relation between involved persons can be created via the relation button on the person/list tab:

The screenshot shows a software interface for managing claims. At the top, there are tabs: Notice, Property, Person, Contract, Coverage, Claim, Questionnaire, Further claims, Settlement, Costing, and SR. The 'Person' tab is currently selected. Below the tabs, there's a sidebar with links: List, Master data, Bank/CA, Payment card, Control, 3rd-ply contr..., Questions, Rel.claims, Diagnosis, Daily allow., and Interaction. The main area displays a table titled 'Which persons/parties are involved in the incident?'. It has two rows: one for 'Person' (Reinwald Olmar) and one for 'Roles' (Taferner Traute). At the bottom of the table, there are buttons: Branch out, Add..., Ins. perso..., Relation... (which is highlighted with a red box), Add incomplete, Complete..., and Remove.



Knowledge Check

Let's chat!

The chat bot element is not available in the print version.



How can the claim handler recognize properties and persons which are involved in the claim?

- Property: in the top-tab "Property", side tab list the checkbox for the corresponding property is checked.
- Person: in the top-tab "Person", side tab list the checkbox for the corresponding person is checked.

How are properties and damages recognisable when they are only involved in the event?

- Property: In the top-tab "Property", side tab list the checkbox for the corresponding property is not checked.
- Person: In the top-tab "Person", side tab list the checkbox for the corresponding person is not checked.

Please outline the relation between the functional object event and functional object claim

The claim is always attached to an event via the EREI#.

Why is the concept of the event needed?

The event is needed for various reasons. The event captures information which is valid for all claims attached to this event. This data is captured only once: e.g. property and persons, event description

Give some examples for event-related data

Person, property, event description.

From a functional perspective, what is the difference between person/property linked to an event and linked (in addition) to a claim?

- Linked to the event: means those properties are in general involved in the event, but do not have a specific claim where they are settled.
- Linked in addition to a claim: The property/claim is settled with one specific claim.

What is the advantage of having persons/properties created only once per event, and not once per claim?

They are entered once and visible from all claims.

How can a further claim be created?

Enter an existing claim, go the top tab further claim and click the button new

Explain the data model with respect to the relations between the entities claim and event, and the relevant entities for persons and properties

TSCHADEN.EREI#=TEREIGNIS.EREI#. Persons/properties linked only to the event are stored in the DB table: TBETRPERS/TBETRSACHE, In addition: if attached to the claim: Person: TPERSSCHADBEZ. Property: TSACHSCHADBEZ



Definitions

Claim

Functional Object

Assignment

Contract

Coverage

Multi-Coverage in the ABS Rich Client

(optional)

Multi-Coverage Claims (optional)



Please note that optional contents are not relevant for the ABS Professional Certified certification.



Timothy Barnes owns a power plant insured by Allianz. One day, an accident occurred that caused a fire. A number of smaller buildings and parts of the power plant were damaged. As a result, the power plant was offline for some eight weeks and two employees were slightly injured. Naturally, Mr. Barnes files a claim, in which more than once class in the contract was affected.

In general, such a claim can be settled from a single claim in a single Class; all the other classes are documented in the ABS Rich Client. In ABS, this is known as a **multi-coverage claim**.

This section contrasts, in practical terms, the functional differences between a so-called regular claim and a multi-coverage claim. A necessary prerequisite of multiple coverage claims is that the claim classes must have the same claim class group.

A multi-coverage claim has more than one class and is handled in a single claims team.

A claim class group is combining different claim classes which certain similarities in the claim handling process.

For example there is the class group "claim motor vehicle" which bundles classes like "collision comprehensive" and "light casco".

The difference between further claims and multi-coverage claims is the fact that further claims have one claims class and each claim is handled by different claims teams.

Navigate to the top-tab Notice, side-tab Event. In this example, multi-coverage is enabled in the ABS Rich Client. Normally you can only select one class in the event allocation block from the class drop-down list. Notice here however that there is a list with all the affected classes in the multi-coverage claim. By means of the Add button, all the effected classes in a multi-coverage claim can be documented. For each class, select the correct loss type and loss cause for the given class is selected.

A single class in a multi-coverage claim can also be closed without closing the entire claim. In the class status block, the ABS Rich Client provides a list of the affected classes. By means of the status drop-down list, you can close a single class within the claim in the top-tab claim. The claim as a whole however remains open.



Functional Know-How

Generally, a claim is almost always created on a per-class basis in the ABS Rich Client.

Nevertheless, sometimes it is necessary to provide functionality allowing the settlement of multiple classes in a single claim. In such cases, the claim is settled starting with the primary class, and all other affected classes are settled and documented in the ABS Rich Client within the same claim case.

It is important to know that only classes belonging to the same claim class group can be settled, like for example a non-life claim. Workflow control is always based on the class from which the claim is settled. Such a class can be called the primary class. As such, escalations are not created for each class. They are only created for the primary class.

The ABS Rich Client provides multi-coverage claim functionality as follows:

- When creating a claim, it is possible to set multiple affected classes in the same claim class group.
- The claim provision is handled per class in the benefits classification
- The coverage check at the damage and event level is documented per class
- In an assignment, multiple classes can be settled and it is possible to document to which class each settlement belongs
- Indirectly, calculation reductions can be executed per class; this is done by assigning them to a given invoice position, assigned to a class
- The disbursement and respective benefits classification can be done per class, since in the benefits classification, you enter either the class on its own or the class plus the respective benefit payment type
- Benefit payment types can be defined and created per class to be used operatively in ABS
- Closing a claim can be done per individual class or by means of closing the entire claim
- Closing a claim can be done per individual class or by means of closing the entire claim



Configuration



66

Multi-coverage claim handling is enabled in the company data by means of the MSPSR setting.

Classes can then be combined through a domain relation. Nevertheless, a claim still validates whether combinable classes are assigned to the same claim class group.



Knowledge Check (Optional)

Explain the difference between further claims and multi-coverage claim.

- A further claim is a claim which is linked to the same event. Further claims are independent claims which have the same event. Each of the further claims has only one claim class.
- A multi coverage claim is a claim with the opportunity to have multiple claim classes within the same claim.

In which functional cases a further claim is created and in which a multi-coverage claim?

- **Further claim:** is created when the claims classes are handled with different teams and have a different life cycle. E.g. MTPL and Collision.
- **Multi-coverage claim:** is created when the claim class belong to the same claim class group (e.g. Non life), have the same claims handling process, are handled by the same team and have the same claim lifecycle.

E.g. Household and Assistance (if defined within the same claim class group).

What is the difference between a multi coverage claim and a normal claim?

A multiple coverage claim can have more than one class. So provision, status, closure, payment is separated within one claim per the entered claim classes.

What functionalities are provided in a multi coverage claim by the ABS claims file?

The same as for a normal claim and the following more: more than one claim class, provision on class level, assignment per class level, payment on class level and status and closure per claim class.



Definitions

Claim

Coverage

Assignment

Claim Event vs. Mass Event, Notice, Creation

of a Mass Event

Mass Event Allocation



All claims caused by the hurricane belong to the same event, namely Hurricane Kimberly.



Conrad Smith has been driving down to visit relatives in South Florida. While he is there, Hurricane Kimberly, a category 4 storm, makes landfall. As it would happen, during the storm, a falling tree severely damages Conrad's car.

A **claim event** occurs during the effectiveness of an insurance policy, resulting in the immediate damage of an insured property or the injury of an insured person and triggers a claim.

A **mass event** triggers many claims, either simultaneously, or during the effectiveness of the corresponding policies.



Top Tab - Notice

Mass events are used in ABS to bundle multiple individual events. This mass event data is used to set default values for claim data, such as the claim type, the claim cause, and so on.

Claim file [RR5688145922/2015 01000073] <on DINTV155>

File Debug Edit Branch out Partner Extras Window ?

Rupsch Hilda
A-9170 Ferlach, Schillerstraße 10; 06/04/1965 German(Austria), P
RR5688145922 / 2015 01000073, FZ, Direct lightning, 08/19/2015, For approval, op... iPad Agent (0159933, Dir.: 1) AD

Notice Prop. Person Contract Coverage Claim Further claims Settlement Costing Account Annuity > 3

Event

Event description
Who is reporting the event?
⚠ Which medium was used to report the event?
Incoming medium
How did the damage happen?

Where does the reporter assign the blame?
⚠ Please add another report here! Add Remove < 1/1 >

Event allocation
⚠ Please select the involved class, loss type and loss cause!

Class	Loss type	Loss cause
Fire-Civil	Direct lightning	Lightning without fire

 Add Delete
 Mass event Hurricane K

TESTMFR
V 15.5.03.44

- Within the claim file, in the top-tab notice side-tab event, observe the allocation block, where the claim clerk can allocate and bundle such claim events to a mass event.
- At the bottom of the window, the fourth drop down box is labeled as a mass event. It is only available if the clerk possesses mass event allocation user rights.

Mass Event Creation

Claim-/Assignment maintenance file <on DTINT01>

File Debug Window ?

Mass event Area/Tour Assignm. Network Tariff Tariff group

01/01/0001 - 12/31/2999

List Detail Filter

Description Start 11/16/2015 End 02/16/2016 Refresh

Event description	Type	Start date	End date	Start time	End time
Hurricane Katrina	Mass event	06/12/2014	06/14/2014	00:00	00:00

Add Copy Remove

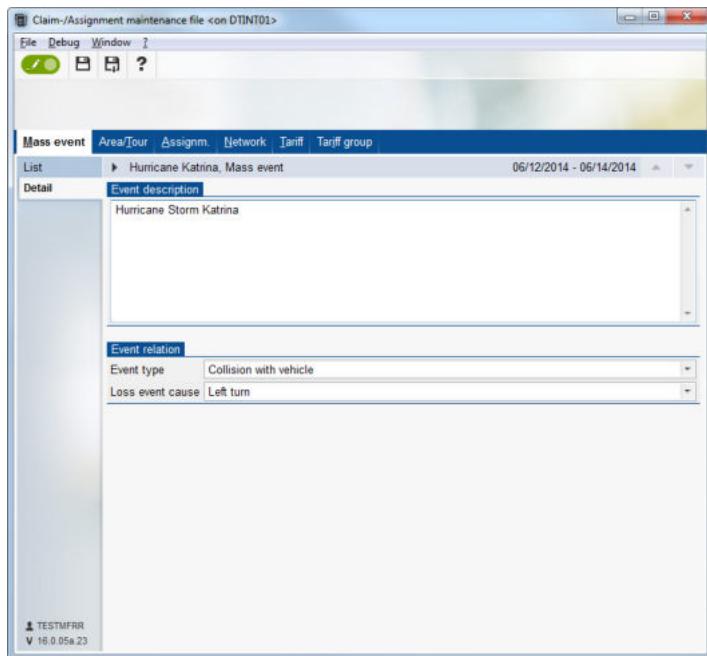
TESTMFR
V 16.0.05a.23

The creation of a mass event in the ABS Rich Client takes place in the claim assignment maintenance file. To go to this window, from the main menu, click Action -> claim assignment maintenance. The system navigates to the top-tab Mass Event side-tab List.

A mass event has the following attributes:

- The event description:** an event description displayed in the fourth drop-down box at the bottom of the top-tab notice window
- A type:** typically set to mass event with exact start and end dates and times

In this window, you can filter mass events from the results list, as well as select one for editing. You can also add a new mass event, as well as copy and/or remove an existing one.



Details of a mass event can be edited in the top-tab mass event, side-tab detail. Moreover, the event type and loss event cause can be set here. This is more or less equivalent to the loss type and loss cause value in the claim file.



In sum, the claim clerk can simply select the correct mass event to which the claim event belongs in the claim file, and then the system sets the loss type and loss cause automatically.

This means that if a claim or a claim event is allocated to a mass event, ABS automatically takes over the event type and loss event cause as the loss type and loss cause in the claim file. If these defining data values are modeled in PEX for this claim, they are automatically moved into the claim file when creating a new claim for the same mass event.



Knowledge Check

Please describe the functional reason for a mass event.

A mass event is used to bundle claims which are triggered by the same event. E.g. if there is a big traffic accident or a big storm all the claims can be bundled with the same mass event.

What is the relation between claims-event and mass event?

A claim event occurs during the effectiveness of an insurance policy, resulting in the immediate damage of an insured property or the injury of an insured person, and triggers a claim. A mass event triggers many claims, either simultaneously, or during the effectiveness of the corresponding policies.

Where can a mass event be created in ABS?

In the ABS claims & assignment maintenance.

How can a claim be allocated to a mass event?

During claim notification, if the user has the respective user right, a DDLB (drop-down listbox) "mass event" appears below loss cause.



Definitions

Defining Data

PEX

Claim Creation without Contract

Claim Creation without Contract



i

Let's start with an example to illustrate a claim creation without a contract:



Wilma Smith has decided to buy a new car. Together with her husband Conrad, she goes to a local car dealer in Chicago. Once Wilma has chosen and paid for her new car, she signs up for Allianz motor liability insurance and registers the vehicle.

On the way home, as he somehow managed to do with Umberto, Conrad distracts Wilma as she is driving, by messing with the power windows, radio and air conditioner (all at once), causing, once again, a rear end collision.

Wilma realizes that her policy could not have possibly been processed yet, and worries that she will have to cover the costs herself. Once home, her daughter calms her down and lets her know that the insurance policy is valid even though Wilma has not yet received the policy document. Allianz will certainly cover the claim.

Q Claim category selection

Please select which type of claim you want to create and enter the respective policy No.:

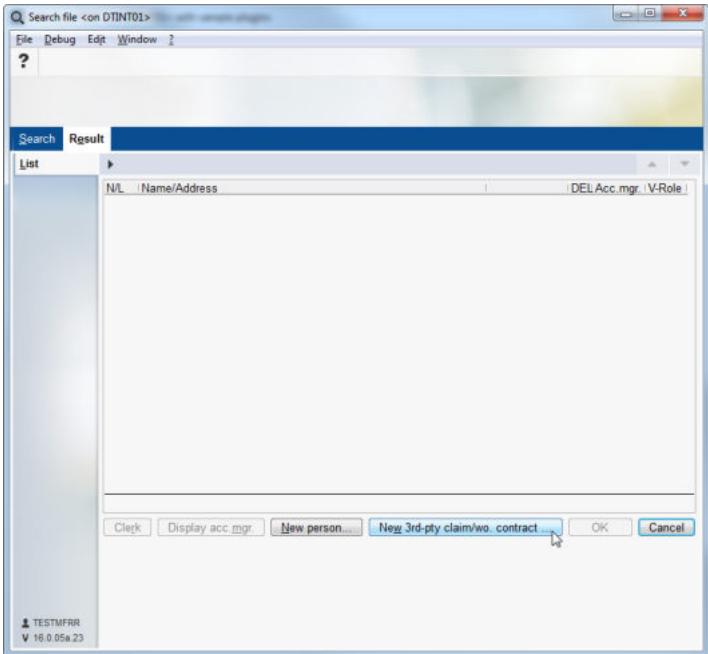
Client Allianz Länderversicherung

3rd-pty claim
 Claim w/o contract

Policy No. RR

OK cancel

- The first step is to search for Wilma Smith's claims and contracts in the ABS Rich Client. The result list is empty, as Wilma's Application has not yet been processed and therefore she is not in the system.



- As a consequence, you must create a claim without a contract. To do so, click the new third party claim/claim without contract button. A pop-up is displayed, in which you select the claim without contract radio button.
- In the policy number field, enter the application number and click OK to confirm. This will be Wilma's policy number once the application has been policy processed.
- What follows is the normal claim creation procedure.



Preconditions for Claim Creation without Contract

First of all, the product needs to be modeled as a foreign claim product in PEX.

When doing so, the following facts are important to bear in mind:

- 
- Since no contract is available, the product data is also not available, as this is gathered from a contract. As such, foreign claims are not attached to a contract.
 - As a consequence, no defining product data is available either.
 - Without product data, it is impossible to select the class product, claim type, claim cause, etc. at hand.

To handle a claim without a contract, ABS requires the modeling of a main class product with the main class's indicator to be set to foreign claim ('FS'), with the requisite product parts and claims types and claim causes.



Knowledge Check

Describe use cases for a foreign claim and a claim without contract

A foreign claim is used for the case when the insurance company using ABS is not holding the policy but only settling the claim. E.g. Motor accident happening in Austria for a French policy holder of Allianz France. Allianz Austria is settling the motor claim as a foreign claim in the Austrian ABS.

Claim without contract is used for multiple reasons. E.g.

1. If the contract is not yet policy processed: the claim is created without contract and then attached to the contract when policy processed.
2. When ABS is put into production first with claims handling and contract are migrated on a later state: then the claim is created without contract and then attached to the contract when the contract is migrated.

What is the difference between a foreign claim and a claim without contract?

Both of them do not have a link to a contract (so TSCHADEN.VERT# is NULL). The foreign claim has the product "FS" (Foreign claim).



Definitions

Claim

Application

Contract

PEX

Claim Creation with Contract Migration & Preconditions

Claim Creation with Contract Migration



Let's start with an example to illustrate a claim creation with a contract migration:



Conrad Smith finally fulfills his childhood dream and buys a motorcycle and insures it with Chicago Acme National Insurance.

The Chicago Acme National Insurance company has wisely decided to modernize their business systems and to migrate to ABS. During the migration, Conrad is still somewhat unsteady on his motorcycle and manages to damage his neighbor's fence. Conrad reports the damage to Chicago Acme National Insurance.

Even though the contract has not yet been migrated to ABS, the claim module is online, and as such, Conrad's claim report can be entered into the system.



If an insurance company wishes to swiftly introduce ABS, as soon as the claim module is online, claim creation without a contract is already possible. As a result, Conrad's claim can be handled without contract migration. However, there is a precondition to be fulfilled, namely that the contract legacy system (TVERTRAG_FREMDSYS) data container be populated with contract shells. Moreover, if a claim occurs before a contract is migrated, the online contract migration is triggered during claim processing.

If you search for a legacy policy number in the ABS Rich Client, the system automatically triggers the migration of the contract data in the background by means of a stored procedure. The stored procedure initializes the creation of the contract shell based on the contract legacy system data container.

Once the contract shell is available, it is possible to handle a new claim, as there is some contract data upon which to base it. As such, the claim file is available in full scope and with all requisite functionality.



Claim Creation with Contract Migration via Search File

In the general search file in the claim block, it is possible to initiate a search based on the legacy system policy number.

- In the general search file in the claim block, it is possible to initiate a search based on the legacy system policy number.
- Once that policy number has been entered, ABS triggers the stored procedure to run online contract migration and to create the contract shell based on the data container.
- Once that is executed, it is possible to create a claim.

The screenshot shows a Windows application window titled 'Search file <on DINTV155>'. The window has a menu bar with File, Debug, Edit, Window, and Help. Below the menu is a toolbar with a question mark icon. The main area is divided into sections:

- Person:** Contains fields for Name, First name, Middle name, Email, Country (Austria), ZIP, City, Street, Cust. ID, Date of birth (00/00/0000), SSNo., Type (Natural selected), User ID, and Staff-ID.
- Contract:** Contains fields for Policy No., Claim No. (empty), Leg.system pol.No., Damage date (00/00/0000 +/- 0 Days), Master contract name, and a checkbox for 'Search for claims without contract'.
- Overall search criterias:** Contains fields for Feedback No., Registration No., Assignment No., and several search buttons at the bottom: Person search (highlighted in blue), Contract search, Claim search, Exp.opinion search, Feedback search, Branch out accumulation file, Anonymous feedback, and Reset search criteria.



Claim Creation with Contract Migration via Claim-Search File

Alternatively, in the claim search file in the contract block, it is possible to initiate a search based on the legacy system policy number.

- Once that policy number has been entered, ABS triggers the stored procedure to run online contract migration and to create the contract shell based on the data container.



Knowledge Check

When is the contract migration triggered?

If you search for a legacy policy number in the ABS Rich Client, the system automatically triggers the migration of the contract data in the background by means of a stored procedure

What is the purpose of having a migration of shell contract data into ABS?

The contract shell provides additional functionality to access the claim. Once the contract shell is available, it is possible to handle a new claim, as there is some contract data upon which to base it. As such, the claim file is available in full scope and with all requisite functionality



Definitions

[Contract Shell](#)

[Stored Procedure](#)

Product Model

Claim Creation Product Model



i

Top-Tab Notice, Side-Tab Event

A claim uses defining data, modeled in the PEx application, throughout the claim file.

Starting with the top-tab notice and side-tab event, in the event allocation block, there are three combo-boxes:

- Class
- Loss type
- Loss cause

These three elements are populated with defining data modeled in PEX.

The screenshot shows the PEx application interface for a claim file. The main window title is "Claim file [RR8000073387/2016 1000000] <on DTINT01>". The menu bar includes File, Debug, Edit, Branch out, Partner, Extras, Window, and Help. The toolbar has icons for New, Open, Save, Print, and others. The status bar shows "Smith Conrad, MA", "USA-60637 Chicago, East 60th Street 1111; 05/20/1980", "English, P", "RR8000073387 / 2016 1000000, CL, Collision with vehicle, 01/25/2016, Complete, ...", "TabletAgent (3190333, Dir.: 1)", and "AD". The navigation tabs include Notice, Prop., Person, Contract, Coverage, Claim, Further claims, Settlement, Costing, Account, and Annuity. The "Notice" tab is selected. The main content area is divided into sections: "Event" (Time/Place, Police report, Questions, 3rd-pty IC), "Event description" (Who is reporting the event? [Driver PH], Which medium was used to report the event? [Internet]), and "Event allocation" (a table with columns: Class, Loss type, Loss cause). The "Event allocation" table contains one row with values: MTPL (Motor 3rd Party Liability), Collision with vehicle, and Rear-end collision accident. Buttons for Add, Remove, and Delete are shown at the bottom of the allocation table.

1 Class

2 Loss Type

3 Loss Cause



Top-Tab Properties, Side-Tab Damage

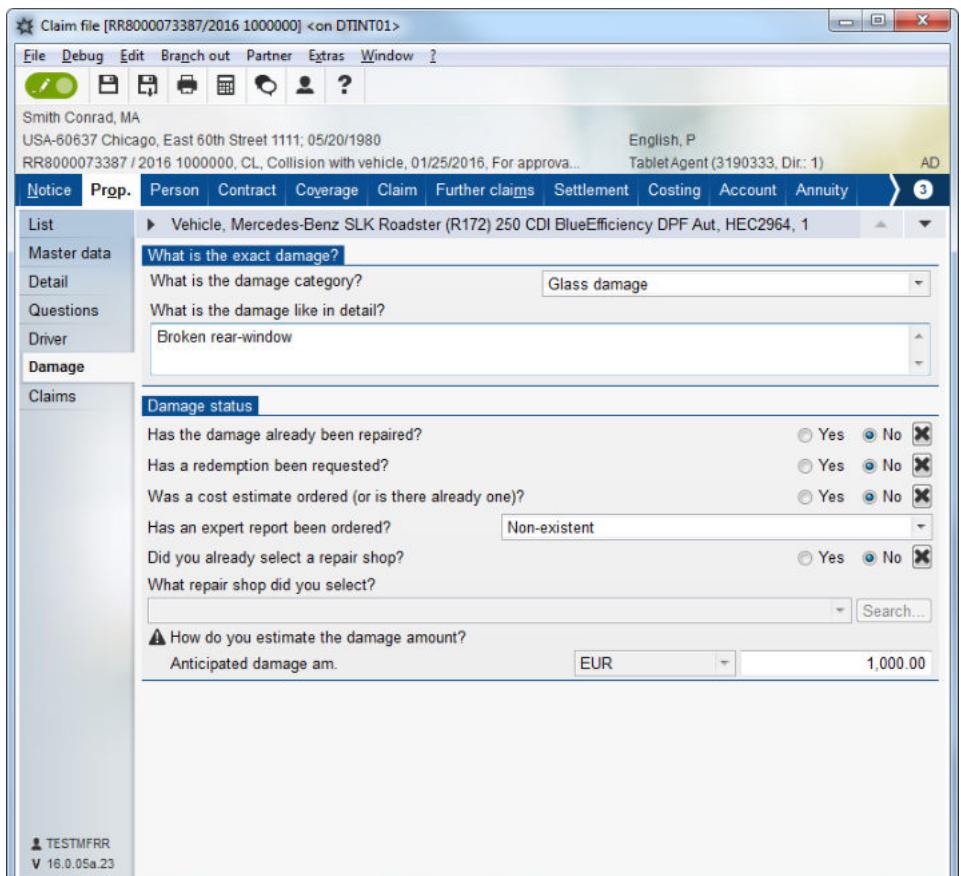
In the top-tab properties and side-tab damage, in the block titled, "What is the exact damage", the damage category combo-box is also populated with defining data modeled in PEX.

Screenshot of a software application window titled "Claim file [RR8000073387/2016 1000000] <on DTINT01>". The window has a standard Windows-style title bar with icons for minimize, maximize, and close. The main area contains several tabs at the top: File, Debug, Edit, Branch out, Partner, Extras, Window, and a question mark icon. Below the tabs, there is some system information: "Smith Conrad, MA", "USA-60637 Chicago, East 60th Street 1111; 05/20/1980", "English, P", "RR8000073387 / 2016 1000000, CL, Collision with vehicle, 01/25/2016, For approval...", "TabletAgent (3190333, Dir: 1)", and "AD".

The left sidebar features a vertical navigation menu with tabs: Notice (selected), Prgr., Person, Contract, Coverage, Claim, Further claims, Settlement, Costing, Account, and Annuity. The "Damage" tab is also visible in the sidebar.

The main content area is divided into sections. One section is titled "What is the exact damage?" and contains a dropdown menu showing "Glass damage". Another section is titled "Damage status" and includes questions like "Has the damage already been repaired?", "Has a redemption been requested?", "Was a cost estimate ordered (or is there already one)?", and "Has an expert report been ordered?". The "Has an expert report been ordered?" field is set to "Non-existent". There are also questions about repair shop selection and damage amount estimation.

At the bottom left of the sidebar, there is a user profile icon followed by the text "TESTMFRR" and "V 16.0.05a.23".





Top-Tab Person, Side-Tab List

In the top-tab person and side-tab list, in the person detail block, the data content from the combo-box is labeled "What is the person's state of health".

The contents are also populated from defining data (loss types and loss causes) modeled in PEX. This allows to select a different type of injury for each person.

The screenshot shows a software application window titled "Claim file [RR8000073387/2016 1000000] <on DTINT01>". The menu bar includes File, Debug, Edit, Branch out, Partner, Extras, Window, and Help. The toolbar contains icons for Save, Print, and various document operations. The main area has tabs at the top: Notice, Prop., Person (which is selected), Contract, Coverage, Claim, Further claims, Settlement, Costing, Account, and Annuity. A status bar at the bottom right shows "English, P", "Tablet Agent (3190333, Dir: 1)", and "AD".
On the left, there is a vertical sidebar with tabs: List (selected), Master data, Bank/CA, Control, 3rd-pty contract, Questions, Rel. claims, Diagnosis, and Daily allow.
The "List" tab displays a list of persons involved in the incident:

Person	Roles
Smith Conrad, MA; USA-60637 Chicago, East 60th Street 1111; 05/20/1980	PH
Barnes Timothy; USA-90807 Long Beach, Quincy Avenue 185/304; 01/01/0001	Injured party

Below this, under "Person detail", there is a dropdown menu for "Roles" set to "Injured party". Other fields include:

- What is the person's state of health?
- Which bank account of the person is the favored one?
- What client reference should be used for communication?
- What communication data of this person is known?

A table for communication data is shown:

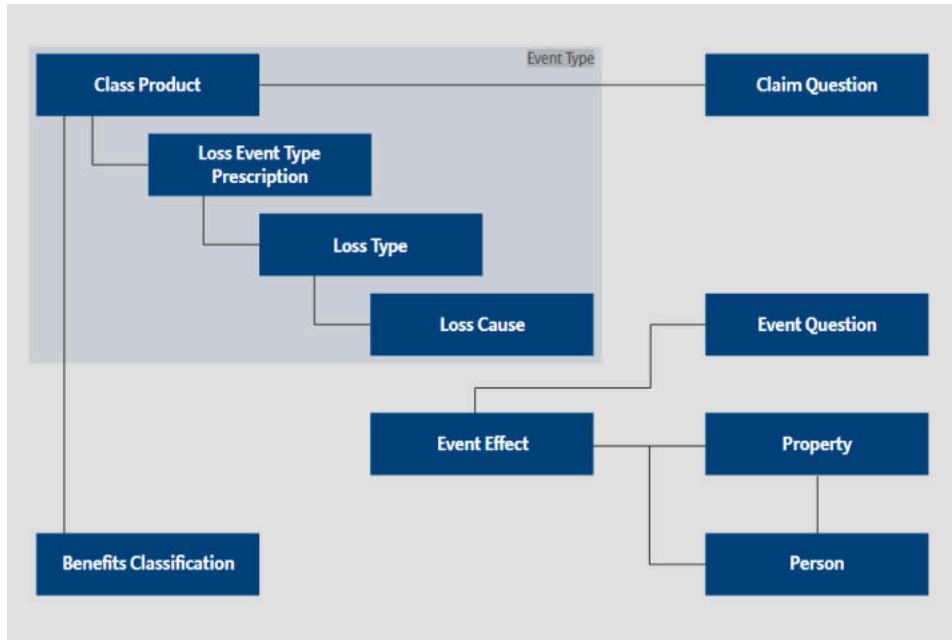
Commtpe	Number/Address	Type	Communication note	Preferred	Purpose

At the bottom left of the sidebar, it says "TESTMFRR" and "V 16.0.05a.10".



Claim-Related Product Model Overview

The claim-related product modeling is based on the class product in the ABS product model.

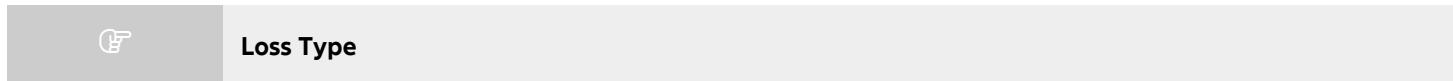


The **loss event type regulation** (in the graphic: loss event type prescription) bundles **loss types**, **loss causes**, **event types**, and **event effects**. A loss event type regulation can be linked to multiple class products.

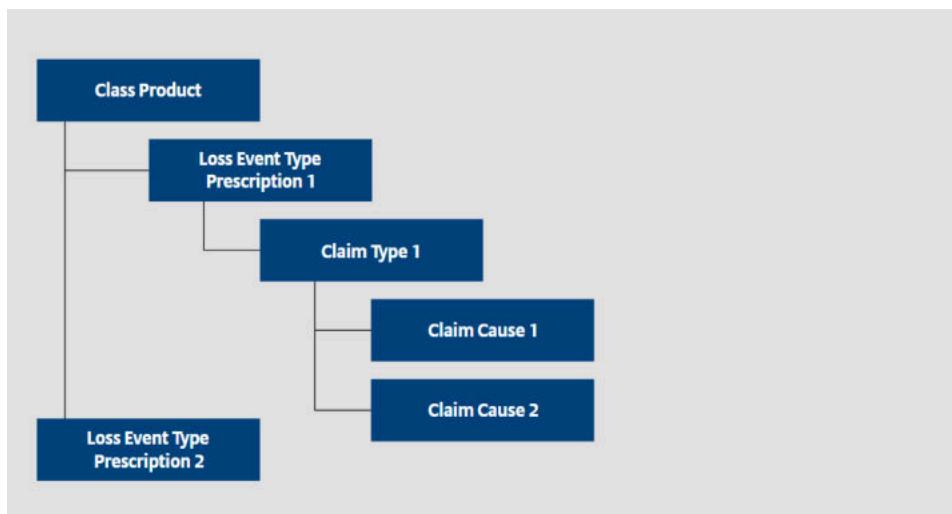
The class product also contains the modeled **claim questions** used in claim settlement or in the assignment for claim settlement, displayed on the top-right of the graphic.

The values for damages to properties or injuries to persons to be made available for selection in the claim file are modeled in the entities related to **event effect**.

The benefits classification is modeled in detail for the classification of bookings in ABS and directly relates to the class product.



It is possible to model any number of loss types for a given loss event type regulation. It is also possible to define and model any number of loss causes for a given loss type.



Loss types and **loss causes** (and further the event types and effects) are not linked directly to a class product, but instead to the entity of the **loss event type regulation**. This dependency has one crucial advantage: The loss event type regulation and therefore all related loss types and loss causes can be reused for other class products.

Under a class product, any number of loss event type regulations is allowed.

Looking at the ABS Rich client, after selection of the class product, the system checks which loss event type regulations are linked to the class product. Based on that the list of loss types and loss causes is determined.



For a motor liability product, the claim types are modeled as collision with vehicle and collision with pedestrian. The claim causes are modeled as passing and turning left.

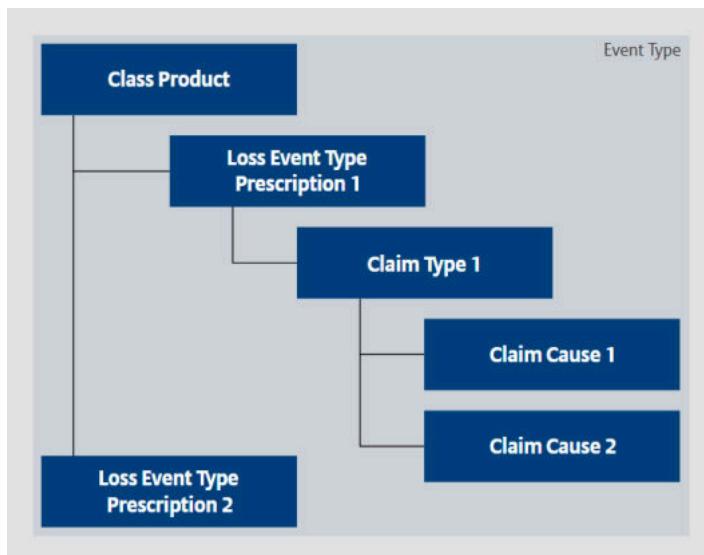


Event Type



An **event type** is a functional and technical cluster in the background of ABS.

It is not transparent to the end user. An event type is linked to a loss event type regulation and to at least one loss type – loss cause combination. In other words: Within a given loss event type regulation, each pair loss type – loss cause has exactly one event type.



The event type can be used for different purposes:

1. It is possible to execute database queries at this level.
2. An event type is necessary in order to configure event questions. Any claim question which is linked to an event type becomes an event question.
3. For the modeling of damages to properties or injuries of persons. This is also called the event effect.
4. Configuring the automatic contractual coverage verification.



For a motor liability product, the loss type is modeled as collision with vehicle and the loss causes are modeled as passing. As such, the resulting event type would be a traffic accident.



Event Question

Event types are used as the basis for modelling event questions which are questions to be answered operatively only once per event and not once per event-related claim.

Event Type

Event Question

Once an event question has been answered, also the answer to the question is stored on event level. This is possible since the event is a functional object and as such uses business object functions like questions and also the answer are visible in all claims linked to that event.

66

Event types are shown on the ABS Rich Client in the top-tab notice, side-tab questions.



Example, was anyone injured or killed other than the driver of the insured vehicle?



Claim Question

The counterpart to event questions are claim questions. These are the questions that need to be answered for every single claim separately for functional reasons.

Class Product

Claim Question

Claims questions can appear at different places in the ABS Rich Client:

- Top-tab **property**, side-tab questions: If the question is configured with relation to a property type, e.g. a motor vehicle
- Top-tab **person**, side-tab questions: If the question is configured with relation to persons.
- Top-tab **claim**, side-tab questions: If the question is neither configured with relation to a property nor with relation to persons.



Example, did the main injured party hire a lawyer?

It is also possible to configure in the ABS product model that a claim question as well as an event question needs to be answered only if a particular loss type or loss cause is selected. An example of this would be in the event of a storm or lightning query.

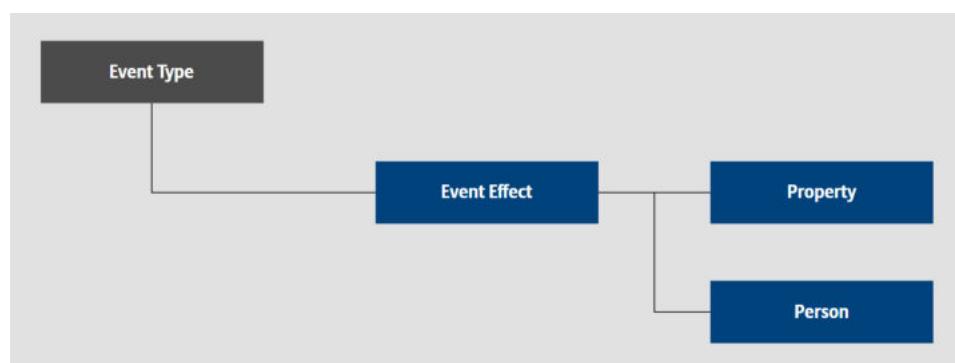


Event Effect



An **event effect** refers to the damages to properties or injuries to persons, as documented in ABS. Event effects are also modeled in PEX.

Event effects are modeled under the event type.



If the same event type is used for different loss type–loss cause combinations, the event effects are taken over.

Modeling Example:

There is the loss type collision with motor vehicle and two loss causes: changing lane, driving backwards.

Both loss type–loss cause combinations are linked to the same event type traffic accident. To this event type there are some damages and injuries defined which are the event effects:

- Slightly injured (for person)
- Seriously injured (for person)
- Dead (for person)

When now selecting one of the two loss type –loss cause combination in a claim, the event type (set in the background) is Traffic accident"

For both combinations the above six damage/injury categories are selectable in the drop down list boxes shown in top-tab properties, side-tab damage and in top-tab person, side-tab list.

It is possible to define the event effects per property type, so different lists of damage categories are possible for different property types like motor vehicle and building



Definitions

Product

Defining Data

Claim

PEX

Loss Type

Class Product

Assignment

Event Type

Event Effect

PEX Demonstration

Claim Creation Product Model



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Claim-related product modeling takes place in the product explorer application, also known as PEX.

This video shows more details about the steps in PEX Demonstration.

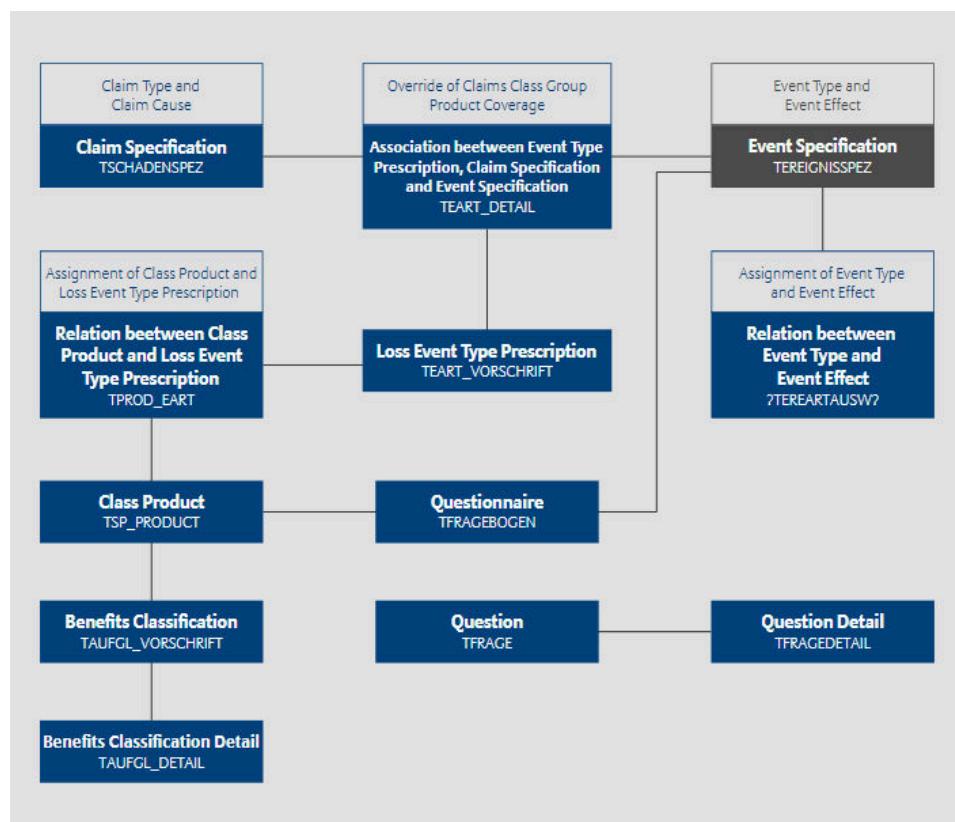
Some of the elements configured include event type regulations, loss types, loss causes, event types, event effects, claim and event questions, as well as benefit classifications, among others.

The video is not available in the print version.



PEX Data Model

Values modeled in the claim-related product model are persisted in the enterprise data model.



In the entity **claim specification**, defined loss types and loss causes are persisted and differentiated by the attribute claim specification type (<<SSP_TYP>>). If the attribute is set to ART, it stands for loss type. If the attribute is set to URS, it stands for loss cause.

In the **event specification** entity, the defined event types and event effects are persisted and differentiated by the attribute event specification type (<<ESP_TYP>>). If the attribute is set to ART, it stands for an event type. If the attribute is set to AUS, it stands for an event effect.

In the **entity relation between class product, claim specification and event specification**, the central relations of the claim-related product model are contained. Here the class product is linked to **claim type** and **claim cause** combinations, and further to an **event type**. The corresponding damages are attached to the event type.

In the **class product** entity, the class product definition is persisted.

In the **benefits classification** and **benefits classification detail** entities, the benefits classification and the corresponding details are persisted. In the **questionnaire, question and question detail** entities, questionnaires, questions and the corresponding details are persisted.



In an example claim, the class is set to household. The class product additionally contains personal liability insurance. The definition of the class product states the the claim is of the type property damage and that this business object is handled by the non-life team.



Knowledge Check

Knowledge Check



The chat bot element is not available in the print version.

Explain the claim relevant modelling in PEX. What exactly can be modelled and where do we see those values in ABS?

It contains the modelling of the following entities:

1. Event type (combination of class product, loss event type regulation, loss type, loss cause)
2. Benefit classification
3. Claim questions

4. Event questions
5. Event effect for property and person.

The values are seen: loss type and loss cause: in the notification of the claim, benefit classifications: when doing payments for provision, payments to policy holders, annuities or recourses, claim question: in the side-tab questions below top-tab claim, event question: in the side-tab questions below top-tab notice, event effect for property: in the top-tab property, side-tab damage, the drop-down list box (DDLB) "What is the damage category", event effect for person: In the top-tab person, side-tab list " What is the person's state of health"

Why a loss event type regulation has to be modeled?

It bundles loss type and loss cause and can be reused for different class products.

What are the single elements related to the loss event type regulation?

Class product, loss type and loss cause

What are the event effects?

It describes in detail possible damages for a property or the health status for a person.

	Definitions
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PEX

Loss Event

Product

Business Object

Overview

Manual And Automatic Evaluation

i

The meta process step evaluate contains the coverage verification.



After having captured all data related to the claims event, involved persons and properties, the coverage verification takes place.

There are different types existing, for example a coverage check to verify if the loss event is covered in the contract, or whether there is coverage with respect to the premium or whether the damage is covered or not. Most of the checks can be done automatically by the system.

On the top-tab coverage all information about the coverage verification with respect to reason, amount and scope is shown.

💡

We return to Conrad Smith's rear-end collision with Timothy Barnes's car. Finally, all incident reports from Conrad, Timothy and from the witness have arrived. Now that all the information is available, the claim clerk can begin the next step, which is to check the coverage and liability regarding the claim's justification.

⌚

Reason-Based Coverage Verification

First, the insurance coverage needs to be calculated. This is called reason-based coverage verification.

Insurance coverage (reason based coverage verification) is calculated based on four checks:

1. Contractual coverage check

Refers to the question "Is the loss event covered by this contract?" This check can be done manually by the clerk by comparing the claim event (combination class/loss type/loss cause) with the coverages and coverage items available on the contract.

E.g if loss type is "Vandalism", then contractual coverage exists if the coverage item for Vandalism is available on the contract. Note

2. Risk-based Coverage check

It is checked whether the risk-object is covered by the contract. Depending on the contract, this is either a vehicle (vehicle insurance), a person (accident, health, life insurance), or the event place (property insurance).

Based on that the system shows one of the questions "Is the vehicle covered by this policy?" or "Is the person covered by this contract?"

that this check can be also done automatically by the system, see chapter "Automatic Contractual Coverage verification"

3. Premium-based coverage check

This is done based on the contract information stored in ABS. If no premium-based coverage exists, the clerk is informed of negative premium-based coverage. In this case, he or she can override it with a result of a manually executed check of premium-based coverage. This is necessary because it can be that in certain cases coverage exists although the system did not find coverage. An example would be a policy which lost coverage because of non-payment. However the customer paid the outstanding premium today and on the same day has a claim. Then the system did not process the payment yet and when notifying the claim the system does not find premium-based coverage. Therefore a clerk can manually overwrite the result in this case, if there is sufficient proof that the customer paid the premium.

In the ABS Rich Client, two top-tabs are related to the coverage and liability verification. These are the **top-tab contract** and **top-tab coverage**.

Note, that in the top-tab contract all the contract data is shown such as coverages, insured objects, insured risks, individual agreements, terms and conditions, and so forth.

The screenshot shows the tab coverage and contains also the relations to the different types of coverage verification with respect to the reason.

The screenshot shows the ABS Rich Client software interface. The title bar indicates a claim file [A800550000/2020 1000021] <on DB_LAPTOP>. The menu bar includes File, Edit, Branch out, Partner, Extras, Window, and Help. A toolbar with icons for search, print, etc., is visible. The main area has tabs: Notice, Property, Person, Contract, **Coverage**, Claim, Questionnaire, Further claims, Settlement, Costing, Account. The Coverage tab is active. On the left is a sidebar with 'Master data' and 'Effective coverage'. The main content area has sections for 'Coverage verification' and 'Damages coverage verification'. In the 'Coverage verification' section, several fields have red numbers (1, 2, 3) next to them: 'Did a neglection of duties occur?' (2), 'Is there a recourse?' (1), 'Is the vehicle covered by this policy?' (2), 'Is the loss event covered by this contract?' (1), and 'Has the premium-based coverage been verified?' (3). The 'Damages coverage verification' section shows 'Blechschaden, PKW, Opel Corsa D 1,0 Edition, GS-966MZ, W0L0SDL6894337507, Under assessment'. The 'Effective coverage' section shows 'Insurance coverage: Under assessment' and 'Effective coverage: Under assessment'. At the bottom, there's a 'Coverage verification / Deductible' section with input fields for deductible amounts and radio buttons for Gross and Net. A 'Coverage-/Liability comment' section is at the very bottom.

In addition to the four checks described above, a number of further criteria do exist which can influence the result of the coverage verification with respect to the reason. In the screenshot these criteria are visible on the top of the screen.

- **"Did a neglection of duties occur?"** This refers to a breach of obligations. A breach of obligations would for example be the situation where the driver of the vehicle did not wear the
- **Suspicion of fraud:** If existing, this leads to an escalation to the fraud team. A clerk can set the field manually but also

belt, or was drink driving and caused an accident. Insurance coverage can be impacted by that.

- **"Is there a recourse?"**. Captures if there is a recourse. Does not directly impact the result of the coverage verification with respect to the reason.

automatic rules can be applied. The insurance coverage is impacted by the existence of fraud.

- **Existence of a litigation**. Captures if a judicial process exists for this claim. Does not impact the coverage verification with respect to the reason.

Finally, the result of the reason based coverage verification can be seen in the field on the ABS Rich Client labeled "Insurance coverage" (5). The value for the field is derived by the system based on the outcome of the checks (1) – (4), and the two fields for neglection of duties and whether fraud was involved.



Coverage and Liability Verification Concerning Extent (Amount and Scope)

The coverage and liability verifications ensure that the payment amount does not exceed the total coverage amount and that invoices are covered and are in scope.



Using the same scenario of Conrad Smith rear-ending Timothy Barnes's car, we arrive at the point where the invoice for Timothy's damaged vehicle has arrived at Allianz from the repair shop. The claim clerk can now continue with the next step of the coverage and liability check. This is to check the coverage and/or liability concerning the extent, which means amount and scope.



At heart, the purpose of the **coverage verification concerning extent with regard to amount** is to see if the contract covers the claim amount. This cannot be performed until all documents are present, including especially invoices. The verification ensures that the payment amount does not exceed the total coverage amount.

The purpose of the **coverage verification concerning extent with regard to scope** is to ensure that individual invoices, payment requests and the single position are all covered. It goes without saying that this cannot be performed until all documents are present, including invoices.



An example would be: We have received an invoice document containing three items, A, B, and C.

For every item there is an amount. 100 for A, 200 for B and 500 for position C. What is the difference between the coverage verification for the amount and the scope?

- **Verification for the amount:** We look only at the amounts and verify if they are covered according to the contract. So does the contract grant coverage for the amount of 100 for type A, 200 for type B and 500 for type C?
- **Verification for the scope:** We look at the different types and check if they are covered in the contract. In this example we have to check if the types A, B, and C are as such covered.

The **coverage check for the extent** is mostly a combination of both amount and scope. So for example it can be that according to the contract there is coverage for up to 200 for type A, up to 400 for type B, but only up to 300 for type C. Then position C would be only partially covered because the claimed amount for type C is too high. Therefore the coverage result for the amount and scope is only "Partially existing".

Once these two checks are done, the **total verification of coverage** can be confirmed in ABS. This is documented by the clerk in the field "Effective coverage" (see field (6)) above. Note that this field consists of the combined result of both: The result of the coverage verification with respect to the reason (field (5)) plus the result of the coverage verification concerning the extent. For this there is no separate field.



Liability Verification

The ABS Rich Client offers functionality for the verification and documentation of liability. This means that the clerk can document fault, or partial fault with fault-percentage values.

The information regarding the liability can only be entered if the related claims class is a liability class (e.g. a vehicle liability, or personal liability). So a class where the liability information is necessary.

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Finally, coverage and liability comments can be added in the form of free text.

Information regarding any deductibles can be entered as a percentage, type, as well as gross and net amount, based on the contract, following payment calculation.



Automatic Contractual Coverage Verification

This chapter deals with the automatic contractual coverage verification. As mentioned previously, risk-based coverage can be determined automatically.

The purpose of the contractual coverage verification is, to check if the combination of class/loss type/loss cause is covered in the contract.

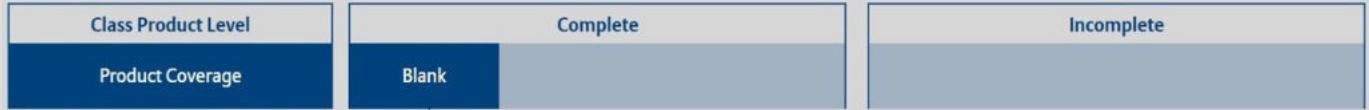
Automatic verification for contractual coverage can be defined and modeled in PEX. If set up the right way, the system is then able to determine the coverage automatically based on the loss type and loss cause combination from the claim.

There are two levels existing:

1. 1st level: The event type level
2. 2nd level: The component level

- The check takes place sequentially. This means that when an ambiguous result on the class product level is returned, the verification is continued on the component level.
- To determine a coverage result, the loss type and causes selected for the claim are compared to those modeled in the product management with a set coverage value.

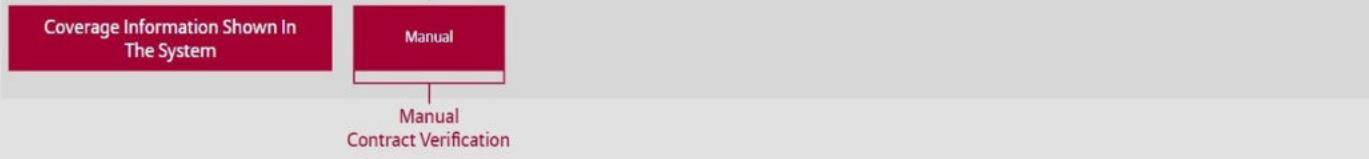
1st Level



2nd Level



Result



No coverage defined

1st Level



2nd Level



Result



Automatic Contract Verification

Coverage defined

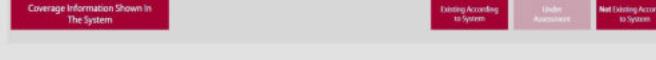
1st Level



2nd Level



Result



Partially given

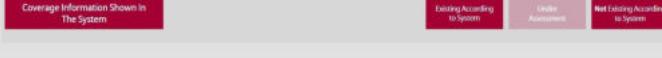
1st Level



2nd Level



Result



Partially not given

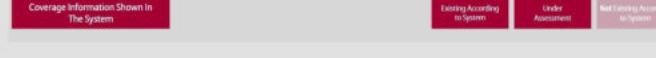
1st Level



2nd Level



Result



Partially product coverage

Notice that the process starts with claim creation.

The first and second levels of coverage verification follow, namely for the loss type and loss cause combinations. This leads to the various endpoints of automatic coverage verification.

- No coverage defined
- Coverage defined
- Partially given
- Partially not given
- Partially product coverage



Use Cases for Automatic Contractual Coverage Verification

Two use cases shall deepen the understanding of the automatic contractual coverage verification.



Therefore we just have to go to the event type traffic accident in PEX, below the related loss event type regulation and set the value for the field product coverage to product coverage exists.

Use Case 1: Only first level

Let's assume we have a certain event type traffic accident. This is used for the loss type traffic accident and for all associated loss causes. The related class is a third party liability class.

Since an insurer is obliged to cover all damages caused by the client regardless of how the damage happened (so regardless of the loss types/causes), the outcome of the automatic contractual coverage verification may here always be "Existing acc. to system".

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When the claims handler selects loss type traffic accident, and loss cause e.g. driving backwards, the outcome will be "Existing account to system".

Use Case 2: Both Levels

Here we take the situation of an elementary casco coverage.

Let's assume there is a product component for damage to the vehicle caused by vandalism. Therefore the contractual coverage should only be in place if the coverage item for vandalism exists on the contract.

First we need a dedicated event type vandalism. On this event type we set the field product coverage to "Does not exist partially".

Then we drag and drop the loss type vandalism and all related loss causes under the related product component for vandalism in PEX. On the second level we set the field product component coverage to "Yes".

When now the claim handler selects as loss type vandalism and any related loss cause, the system does not find a unique result on the first level because on the event type no unique result exists.



Therefore the system goes to the second level. Here it is checked what the related coverage item/product component is for the loss type/loss cause combination. This is the vandalism component.

Two options:

1. There is no vandalism coverage item on the contract: This means the customer is not covered for vandalism. Therefore the result is "Not existing acc to system" because we defined on the 1st level "Does not exist partially"
2. There is a vandalism coverage item existing on the contract: Since we defined on the 2nd level a "Yes", the outcome will be "Existing acc to system".



Knowledge Check

What outcomes are possible on the 1st level?

No coverage defined, coverage defined, partially given, partially not given, partial product coverage

What outcomes are possible on the 2nd level?

Coverage is given, coverage is not given

Why is the automatic coverage verification a very helpful functionality?

When having defined the automatic contractual check, the DDLB with the question "Is the loss event covered by the contract" is prefilled automatically by ABS.

Where does the configuration take place of the 1st and the 2nd level check?

The configuration is done in PEX when a product is modelled. For the 1st level it is on the level of class product (in combination with loss event type) and for the 2nd level it is on the level of product component.

What sub types of verifications can be done automatically by the system or are always done automatically by the system?

The premium based coverage is always automatically done.

Automatically done (if defined in PEX) can be the contractual coverage check.

What is the necessary precondition to start with the coverage verification concerning extent?

All documents have to be present, including especially invoices

Where is the result of the coverage verification concerning reason shown in the claims file?

In the top tab coverage, the field "Insurance coverage".

Describe the reason based coverage verification in ABS. What types of coverage checks have influence on the reason based coverage verification?

The reason based coverage verification is also called "Insurance coverage". It indicated if for the given claim insurance coverage exists or not. It is calculated based on the following coverage checks: contractual coverage check, risk-based coverage check, premium-based coverage check and coverage check at the damage level.

Describe the coverage verification concerning extent? Can this coverage check be performed automatically?

The coverage verification concerning extent exists of the verification of amount and scope.

Amount means: is the contract covering the claim amount?

Scope means: the purpose of the coverage verification concerning extent with regard to scope is to ensure that individual invoices, payment requests and the single position are all covered. This coverage verification can be confirmed always manually as the claim handler has to wait for all documents and invoices to be received and to judge this verification.

What criteria influence the result of the coverage verification concerning justification in addition to the four sub checks?

- Did a neglection of duties occur?
- Existence of breach of obligations
- Suspicion of fraud and
- Existance of a litigation

What is the difference between the verification of scope and amount?

- Scope: if all invoices, payment requests and single positions are covered.
- Amount: is the contract covering the requested claim amount.

What is done within the scope and amount check by the clerk?

The claim clerk checks all the invoices regarding scope and amount and decides if effective coverage exist. Based on this decision invoices can be paid out or not.

In which field of the claims file can be found the total result of the coverage verification (reason+ extent)?

In the coverage side tab, Field: "Effective coverage"

When is a liability verification necessary in a claim?

The information regarding the liability can only be entered if the related claims class is a liability class (e.g. a vehicle liability, or personal liability). So a class where the liability information is necessary.

Where is the liability verification in the claims file located?

In the top tab coverage, area: "Coverage verification/Deductible"

What kind of coverage verification is affected with the liability check?

The effective coverage.

What are the two levels of the automatic coverage verification?

Automatic contractual coverage check can be on the level of class product (product coverage) or on the level of product component level (product component coverage). It can be decided by the OE using ABS on which level they want to configure it.



Definitions

[Class Product](#)

[PEX](#)

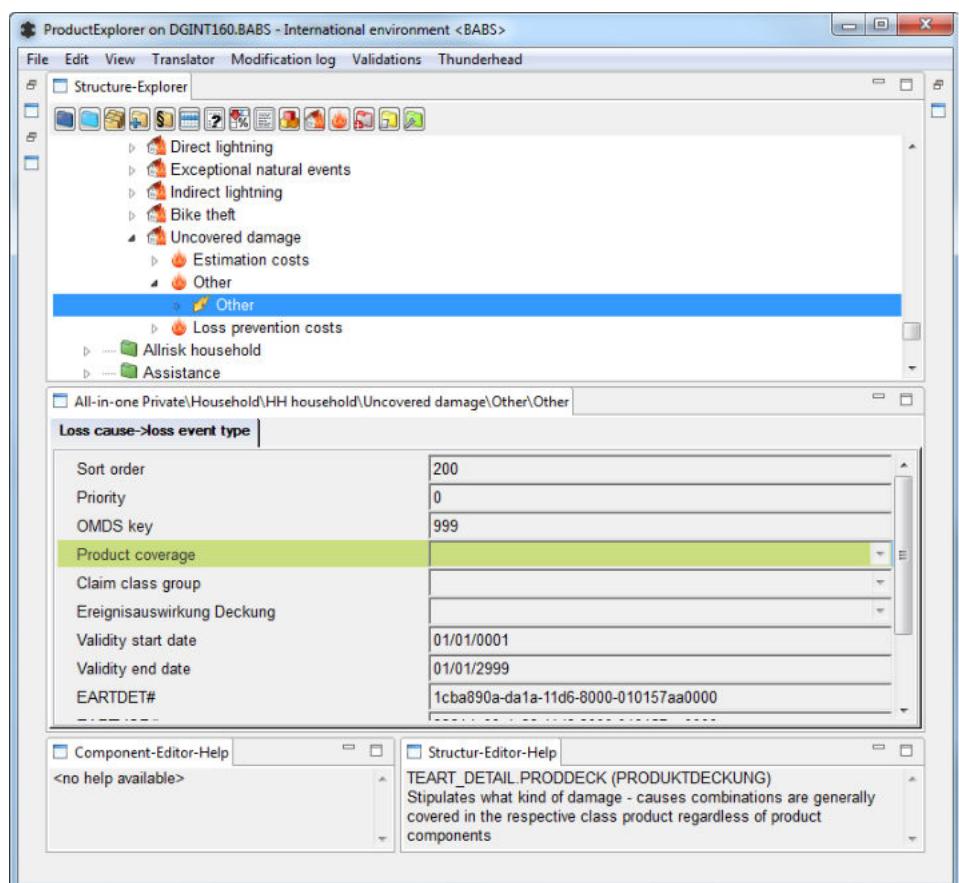
Configuration

Manual And Automatic Evaluation



How the PEX configuration is done in order to set up the automatic coverage verification.

The loss-type/loss-cause combinations defined in the product model are compared to those selected upon claim creation. At this point, automatic coverage verification is triggered.



The following values can be set for automatic coverage verification at the event type level.

No value

No coverage verification is executed

Product coverage

Coverage at the product level for the loss-type/loss-cause combination for that particular class product is given and coverage verification ends here, as a unique result is attained

No product coverage

Coverage at the product level for the loss-type/loss-cause combination for that particular class product is NOT given, and coverage verification ends here, as a unique result is attained

Partial product coverage

A unique result cannot be computed, thus coverage verification at the product level proceeds at the product component level

Partially given

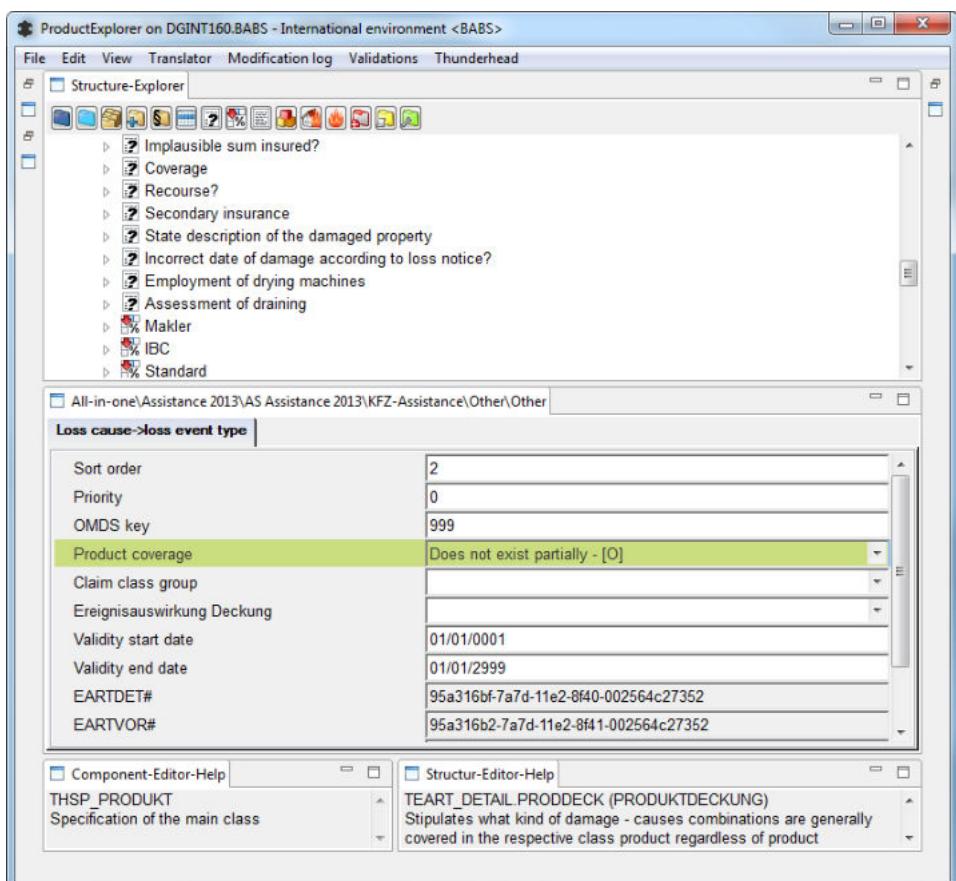
Coverage for this loss-type/loss-cause combination is temporarily given, such as with a default value, and coverage verification is executed additionally at the product component level. Unless the product component does not return a different result, or no result at all, for the loss-type/loss-cause combination, product coverage is given.

Partially not given

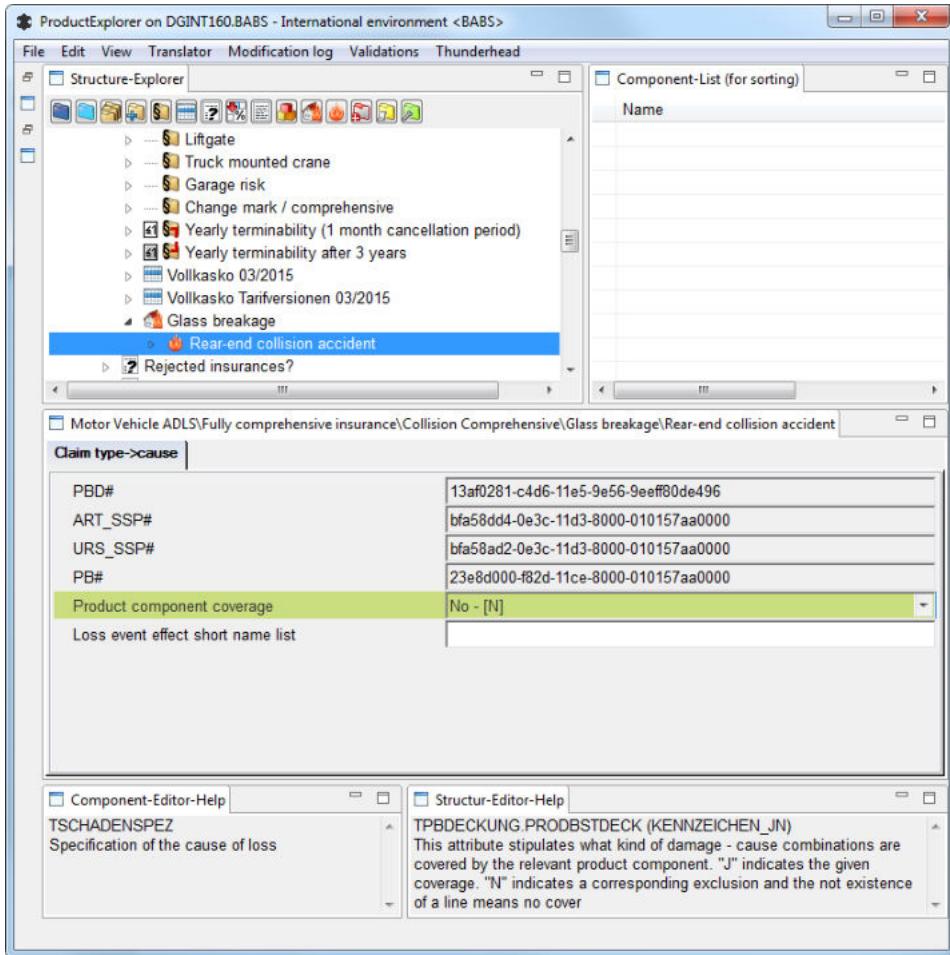
Coverage for this loss-type/loss-cause combination is temporarily NOT given, such as with a default value and coverage verification is executed additionally at the product component level. Unless the product component does not return a different result, or no result at all, for the loss-type/loss-cause combination, product coverage is NOT given.

If no value is selected, automatic coverage verification is not executed.

Product model configuration at the first level, i.e. the class level, means that it is defined in PEX on the event-type-product selection. If no value is entered or selected, then no automatic verification of coverage takes place for the corresponding loss-type/loss cause combination.



If product coverage results are modeled at the product component level, the corresponding loss-type/loss-cause combinations must be attached to the product component and the coverage verification results must be configured for the loss-cause on the product component.



On the product component, the result for the product coverage can return one of the two values:

1. YES: Coverage is given
2. NO: Coverage is not given

Product model configuration at the second level, i.e. the component level, means that it is only carried out for specific values for the product coverage.

This is defined in PEX at the product component coverage level. If no product component coverage is found, the coverage is contingent on the value found in the first-level coverage configuration.

The screenshot shows the ProductExplorer application window with the following details:

- Structure-Explorer:** Shows a tree view of product components. The node "Rear-end collision accident" is selected and highlighted in blue.
- Component-List (for sorting):** A table with one column "Name" containing the entry "Rejected insurances?".
- Claim type->cause:** A table with columns "PBD#", "ART_SSP#", "URS_SSP#", "PB#", "Product component coverage", and "Loss event effect short name list". The "Product component coverage" row has a green background and contains the value "Yes - [J]".
- Component-Editor-Help:** A panel titled "TSCHADENSPEZ" with the sub-section "Specification of the cause of loss".
- Structur-Editor-Help:** A panel titled "TPBDECKUNG PRODBSTDECK (KENNZEICHEN_JN)" which contains the following text: "This attribute stipulates what kind of damage - cause combinations are covered by the relevant product component. 'J' indicates the given coverage. 'N' indicates a corresponding exclusion and the not existence of a line means no cover".



Definitions

Product

PEX

Claim Provision

Settle



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Claim Account Overview



Here is an example: The claim has already been reported and documented and the information provided is sufficient to continue with the subsequent steps to settle it.

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

Roberts Julia
A-1140 Vienna, Linzer Straße 221; 01/01/1980
RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ...
English, P
John Salesman (8836575, Dir.: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing > 5

Overview	Responsibility
Master data	Location Allianz International Insurance Category Preliminary claim
Comment	Clerk Robert Richards Priority
Documents	Phone
Doc. Evidence	
Sched. task	
Process slip	
Questions	
Claimants	
BO activ.	
Customer info	
Expectation	
Feedback	
Accum.loss ...	
SysFR	
Add-on	
Scoring	

Claim expenditure

	effective	allocated
Provision	.00	.00
Compensation	.00	.00
SA-payment	.00	.00
Goodwill	.00	.00
Expenses	.00	.00
Rec.reserve	.00	.00
Recourse receipt	.00	

Coverage / Liability

Premium-based coverage	Existing acc. to system
Insurance coverage	Under assessment
Total sum insured	Under assessment

Bonus/Malus

Bonus destroying
Deductible
Recourse

Claim status

Forward BO
 Close claim Closing date 01/01/0001

TESTMFR
V 20.0.01b.45

In the top tab claim side tab master data there is the claim expenditure block. Here, the system shows an overview of the different amounts used for

- Claim provision
- Compensation payments
- Split agreement payments
- Goodwill payments
- Expenses
- Recourse reserves
- Recourse receipts



Master Data for Claim in Foreign Currency

In every line, the amounts of the related bookings from the claims account is summed up. The claim account will be in more detail handled in an upcoming chapter.

Notice that the claim expenditure has two columns, namely Allocated and Effective. The amount of a booking which is entered on the claim account will effect first only the Allocated column.. After the claims post-processing the bookings on the claims account will be netted and the amounts in the Effective column will be updated. The claims post-processing is a batch, which we will look at in more detail in a later chapter.

By default the claim calculation and provision calculation is done in tenant currency which is defined in the company configuration data. In this case the currency is not specified.

ABS Core provides via the company configuration data the possibility to define that the claims can be calculated in a foreign currency.

This enables to select in the top-tab Claim, side-tab Master Data the foreign currency in which the claim will be calculated. The provision calculation and calculation of the claim expenditures are always done and can be displayed in the defined claim foreign currency or in the tenant currency. The claim currency cannot be changed after the claim post-processing.



Definitions

[Team-Based Processing](#)

[Routing](#)

[Claim](#)

Provision Functionalities

Settle



Once a claim has been entered in the system, the clerk creates the provision for it.

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

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RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... John Salesman (8836575, Dir: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing > 5

Overview Responsibility

Master data Location Allianz International Insurance Category Preliminary claim
Comment Clerk Robert Richards Priority
Documents Phone

Sched. task

Process slip

Questions

Claimants

BO activ.

Customer info

Expectation

Feedback

Accum.loss ...

SysFR

Add-on

Scoring

TESTMFR
20.0.01b.45

Claim expenditure

	effective	allocated
Provision	.00	.00
Compensation	.00	.00
SA-payment	.00	.00
Goodwill	.00	.00
Expenses	.00	.00
Rec.reserve	.00	.00
Recourse receipt	.00	

Coverage / Liability

Premium-based coverage	Existing acc. to system
Insurance coverage	Under assessment
Total sum insured	Under assessment

Bonus/Malus

Bonus destroying

Deductible

--

Recourse

--

Claim status

Forward BO
 Close claim
Closing date 01/01/0001

Provision details

In the top-tab Claim, side-tab Master Data, in the claim expenditure block, the claim provision can be entered in the field next to the "Provision" label. The clerk estimates the anticipated extent of the damage from the most careful yet realistic standpoint possible.

In a claim, every payment requires to be sufficiently covered by a provision. The payment is then reducing the allocated provision amount on the claim accordingly.

When closing a claim and there is still provision allocated, this provision is automatically booked out by the system.



Now let us take a look at an example:

Provision amount set by clerk = 2.500 EUR

Payment done with amount = 2.000 EUR

After the payment was done, the provision amount still available for payments is 500 EUR. When the claim is now closed, the amount of 500 EUR is booked out by the system automatically.

Provision split on different levels:

Provision is entered either for the whole claim in the field 'Provision allocated' or entered per combination of:

- each affected person or property, if it is configured

- each class if the claim contains several classes (see more details in the chapter Document and investigate -> Multi-Coverage Claim)
- each benefit type if it is configured (see more detailed in the chapter Settle -> Benefit Classification)

- The button "Provision details" is only available if any of the above mentioned features is activated. When clicking on the button, a pop-up appears where the user can enter the provision with a split by benefit type/ property or person/class.
- In this case all payments are also split on the relevant level to be able to calculate provision.
- If there is no provision input upon claim creation, a Process Slip is attached for delegation to a qualified clerk.

Person/Property	Class	Type	Effective	Allocated
Building: A-5721 Aufh	Accident - Family	Other	0.00	100.00
Wielandner Gunter...	Travel Capital Accider	Death annuity	0.00	600.00



ABS Provision Functions

- **Initial Provision:** ABS can automatically set default provision or so called initial provision, upon claim creation based on class, loss type, loss cause or other ABS Rich Client configurations which the clerk can manually edit. There is an opportunity to configure creation of initial provision split on class and benefit type level.
- **Automatic Provision:** The system always automatically holds the provision on one level, based on class, loss type, loss cause or other ABS Rich Client configurations. When a claim is created it behaves as initial provision, then when the payment is done, the appropriate provision is automatically created to remove the provision on the previous level. The clerk always has the possibility to turn off the automatic mode and enter the provision manually. A button for that purpose is displayed in the top-tab claim, side-tab master Data in the claim provision window.

- **Manual Provision:** The clerk can manually enter the claim provision.
- **Individual Provision:** There is also a third possibility whereby the provision is created in the background and the user does not see it. This is known as individual provision. It is used e.g. for the health claims class. The provision is always created by ABS in the amount of the current payment, this way the resulting provision is always zero.
- **Lump-Sum Provision:** This provision is also created in the background and the user does not see it, but in contrast to the individual provision it is based on class, loss type, loss cause or other ABS Rich Client configurations. At the same time the user is able to enter his own estimation of provisions, since the amount of lump-sum provision is stored in a separate field.



Claim Categories

- **Pending preliminary claim:** This sort of claim is structured via ABS internet portals, such as partner, customer or broker portals.
- **Preliminary claim:** This sort of claim lacks a provision.
- **Standard claim:** Arrives via first level or Team-Based Processing.
- **Major loss:** A clerk manually processes this sort of Claim, which usually exceeds 100,000 euros.

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The system determines the values. Routing is always relevant.



Claim Priorities

- Major loss, nominated processing, mass claim, etc.
- System-determined claim
- Impact on claim processing priority
- A mass event has a higher priority in the claim Work List

Similar as the categories, the values are determined by the system. Also the priorities are meant to be used in claims routing.

Further Reading

Workflow



Knowledge Check

What is the main use of the claim category and claim priority?

Claim category and priority are used for claim routing.

Please describe the different ways of provision for claims in ABS

1. Manual provision: entered by the clerk
2. Initial Provision: set by default by ABS
3. Automatic Provision: at claims creation like initial provision, after every payment ABS adapts the provision automatically with the amount of the payment)
4. Individual Provision: provision is created in the background and the user does not see it. The provision is always created by ABS in the amount of the current payment, this way the resulting provision is always zero)
5. Lump sum provision: this provision is also created in the background and the user does not see it but in contrast to the individual provision it is based on class, loss type, loss cause or other ABS Rich Client configurations. At the same time the user is able to enter his own estimation of provisions, since the amount of lump-sum provision is stored in a separate field.

What is the connection between provision and payment for claims in ABS? How do compensation payments influence the provision?

If a payment is done in the claim file, the provision is reduced with the respective payment amount. For a claim enough provision has to be available in order to do a payment.

What happens with the claim provision when a claim is closed?

The claim provision is written off. This means that a booking for provision is automatically created which brings the provision to 0.

Why are there two columns (effective and allocated) for provision?

- Allocated provision is the provision which is currently allocated for the claim. This value is constantly changing when payments are done
- Effective provision is the value which is calculated by the batch when the claim is being post processed.

What are the different amount types shown in the claim expenditure block of the claim file?

Following effective and allocated amounts are shown: provision, compensation, SA-payment, goodwill, expenses, recourse provision and recourse receipt.

What needs to be done if a claim should be handled in a foreign currency?

Activation of a company configuration data. And the user has to enter the foreign currency for provision in the claim file.

On which different levels can a provision split be done?

Per the whole claim, per affected person, per involved property, per class in case of multi-coverage claim, per benefit type. Also combinations are possible (e.g. per person and class and benefit)



Definitions

[Coverage](#)

[Routing](#)

[Process Slip](#)

[Team Based Processing](#)

Claim Overview Window

Settle



Processing

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

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RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... John Salesman (8836575, Dir: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing > 5

Overview	Responsibility	Allianz International Insurance / Robert Richards	
Master data	Insurance coverage	Under assessment	Blame
Comment	Deductible		Claims provision 0.00
Documents			Claims payment 0.00
Doc. Evidence	Processing	Status	Date
Sched. task	x Loss notice	Examine	To be checked
Process slip	✓ Police report		not existing
Questions	✓ Incomplete documents		not existing
Claimants	✓ Unsubmitted documentary evidence		not existing
BO activ.	✓ Open sched.tasks		not existing
Customer info	Settlement	Status	Date
Expectation	Vehicle, Alfa Romeo 8C Competizione, W123456, 34523452435, Yes, ...	Open	
Feedback	Cost estimate APS - mediated customer	Create	
Accum.loss ...	Roberts Julia / Female / 01/01/1980, A-1140 Vienna, Linzer Straße 221	Open	
SysFR			
Add-on			
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The claim overview window is the first location clerks reach upon opening an existing claim. All outstanding tasks are displayed.

Tasks which are already completed and tasks that remain open are clearly depicted.

Tasks can include:

1. Check lightning and storm report
2. Scheduled tasks
3. Documents to be processed
4. Loss notice
5. Police report

For tasks that remain incomplete, there is always a corresponding button allowing the clerk to navigate to where such tasks can be executed. The claim overview also shows the status of the assignments (see next chapter) as well as the status of the person/damage.



Person/Damage Status

The person/damage status determines the settlement status for each person and damage in order to track claim process for the specific damage or person within a claim.



- When all assignments and tasks are finished for the person and damage to be settled within one claim, the clerk can close the person/damage. When a specific person or damage is closed, the provision gets written off for this certain person or damage. The functionality is valid for all relevant for settlement person and damages.
- When a person/damage is closed, then it is not possible anymore to create assignments or bookings. Therefore the person/damage has to be reopen.



Example Processing Tasks

Lightning or storm reports are questions modeled in PEX and shown if the class or loss type is a storm or lightning.

The event status is set in the top-tab Claim Notice. The functionality for completion is available in the claim Overview window if the notice is not sufficient for coverage verification or if it is still under assessment.



Knowledge Check

How can a claim handler check the progress of person and damages in ABS?

In claim overview for each property and person relevant for settlement the status is shown. The status is derived from open assignments with this person or property and can be set manually by the claim handler.

What is shown on the claim overview and why is this the starting page of an already created claim?

In the claim overview the current status of the whole claim is shown. e.g. the assignments created, general information of the claim (like claims responsibility, assigned user, provision amount).



Definitions

[Claim](#)

[PEX](#)

[Scheduled Tasks](#)

Assignment - Part1

Settle



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Assignment Definitions and Types

The following sections deal with settlement and Assignment, including calculation.



Going back to our recurring example of Conrad Smith's rear-end collision with Timothy Barnes's car, we arrive at the point where Allianz receives an invoice for the repair work on Timothy's car. The claim compensation payment would then be calculated in ABS based on this invoice.



The functional object **assignment** is used in order to depict a certain type of settlement digitally in ABS.

With this settlement type, one can understand all different ways which can be used in order to settle a claim. For example an invoice from a repair shop or an inspection by a vehicle expert. Assignments are created either based on a person (e.g. a medical assignment) or on a damage (e.g. an invoice from a repair shop for a vehicle). In an assignment, several damages can be documented and subsequently collectively calculated and paid out.

- 
- Assignments can be actively created by a clerk or passively by business partners. They can involve the outsourcing of a process step to a service unit. Work orders are not necessarily associated with an assignment issued to an external partner, such as in the case of an invoice. Workflow control includes the assignment status.
 - The process from damage settlement through calculation to appropriate payment is digitally mapped in ABS.



Properties of an Assignment

- Each assignment, representing per definition a type of settlement, is a process and as such it follows a workflow. In order to steer this workflow, the assignment status is used from a technical perspective. However, the complexity of the workflow strongly depends on the type of assignment.
- Some assignments include work steps which are outsourced to other internal departments or to external parties. For example: The invoice assignment is not outsourced. It can be completely handled by the clerk from beginning to end. On the other hand, an inspection assignment for a vehicle is only triggered by the clerk but then conducted by an (internal or external) expert.
- Every assignment needs a basis. This is either a damage (which is related to a property) or to a person. However, also multiple different damages or persons can serve as basis for an assignment.
- Assignments are either actively created (by the clerk) or passively which means by a business partner like a repair shop.
- Every assignment can either be used as the basis for calculation or not. This depends on the type of assignment.



Assignment as Functional Object and Business Object

Since the assignment is a functional object, it uses as such also business object functions.

- In order to be able to attach documents like invoices, Expert reports to the assignments.
- In order to capture comments from the clerk towards the expert or internal comments.
- Process slips
- Scheduled tasks
- Business object activity
- Change protocol without history
- Change documentation



Assignment Categories / Assignment Types

Assignments can be categorized into the below categories. Under every category, dedicated assignment types exist.

- Standard assignments
- Inspection assignments
- Restitution assignments
- Audit assignments
- Neutral assignments



Standard Assignments

Standard assignments are assignments which we receive from external sources, in general from the customer. This could be payment request, invoice, cost estimate or expert opinion (which was not assigned by Allianz). These assignment types will be created in ABS, calculated (e.g. reduced by deductible) and finally paid out. This is the standard process in claims handling in an insurance company and that's why this category is called standard assignments.

A standard assignment can be any one of the following:

- Cost estimates are used to document received external cost estimates that do not originate from Allianz business partners, yet are used as a basis for calculation.
- Invoices are used to document received invoices that do not originate from Allianz business partners, yet are used as a basis for calculation and payments.
- An expert opinion is used to document received external expert opinions that do not originate from Allianz business partners, yet are used as a basis for calculation.
- Payment requests are used to document received payment requested from a customer. These are then used as a basis for a calculation. Examples can be material costs and personal contributions.

All four types can be completely handled by a clerk and therefore no outsourcing of the process or part of the process takes place. The process is anyway a very simple one in this case which is just the capturing of the data on the invoice, cost estimate, expert opinion or payment request in ABS manually.



Inspection Assignments

- Inspection assignments are primarily used in claims. Nevertheless, they can also be used in the Application process, e.g. for older cars. The inspection is performed by a court-certified vehicle expert who can be internal or external.
- For all types of inspections, work lists determine the team leader's allocation of assignments as well as the processing done by a team member.
- ABS deliberately avoids covering certain functions such as expert opinion software for vehicles. In such a case, the necessary data is exported from ABS to external applications and then re-imported.

- External experts complete their assignments by means of an internet portal connection.
- With inspection assignments Allianz actively assigns a business partner either to inspect a property or vehicle or examine a person (e.g. health insurance)

Different types of inspection assignments exist:

- Expert opinion vehicle. To assign a dedicated motor vehicle expert in order to inspect the damage on the vehicle. The expert conducts the report based on the information given in the assignment, and attaches the result of the report to the assignment.

- In addition to vehicles, inspection assignments can also be in the realm of person, life and health insurance. Here medical expert opinions are used. An example of such inspections could be the assessment of permanent disability or the incapacity to work which takes place by a medical doctor.
- Non-life expert opinions are another sort of inspection assignment. Someone from the claim field service for onsite claim settlement and inspection carries out these inspection assignments. Generally, the claim field service executes the customer's first response. In the best case, the customer agrees to a lump sum compensation package, which is also referred to as a mobile redemption or cash without repair. The expert in this case uses ABS in its offline version with data synchronization to and from a home office. This approach aims at achieving an onsite resolution to a claim that consequently results in cost reductions through redemption processing and the partial replacement of external experts.

This assignment type is used for two kinds of use cases: In the first place for Claim field service. Claim field service is a claim clerk onsite - not an expert. If Allianz needs to assign an expert or Claim field service determines that a qualified expert opinion is necessary expert opinion non-life will be used in ABS. If claim field service cannot align a redemption with the customer the claim goes back to customer care center and the clerk performs subsequent activities (re-negotiation with the customer or assign an expert).



Restitution Assignments

Restitutions mean the process of repairing a damaged object. Restitutions usually start with a cost estimate and end up with an invoice. This type of assignment is for requesting a cost estimate from an external service provider such as a repair shop. ABS can also receive such estimates electronically via a portal connection.

There are two types of restitution:

Active restitution

Whereby the clerk proactively offers a partner service provider to the customer; cost estimate is created in the ABS Rich Client, the business partner receives the cost estimate via the portal and the restitution is carried out.

Each restitution assignment (being a cost estimate) must be checked and approved. Along the way, an expert opinion or an audit can be requested or none of them. This may depend on the amount of the cost estimate. If an expert opinion or audit is done for the cost estimate, the expert inspects the damage on the vehicle and compares it to the cost estimate provided by the repairer. Based on this, the expert either approves or declines the cost estimate.

If it is approved, the repair shop conducts the repair and enters the invoice directly in ABS (via the portal). A new assignment is created for this invoice. If the invoice amount is not bigger than the cost estimate, the system will pay automatically the amount to the repair shop. Otherwise, there is a process slip generated in order for the clerk to check the situation.

If the expert however declines the cost estimate in the first place, then there is the possibility for the repair shop to create a new cost estimate.

Passive restitution

In which case the customer goes directly to the external business partner who creates the cost estimate in the portal and the restitution is carried out.

The external partners which are involved in this type of assignment are Allianz partner service providers. They need to fulfill certain quality criteria such as service levels and offering special services to the customer such as car cleaning or replacement car during the duration of the repair. Therefore, having a customer mediated to such a partner repair shop is very attractive from an insurer point of view because of the customer experience and cost saving reasons.

Next it is also an advantage for the customer because the repair is completely managed by Allianz. Last but not least also the partner repair shops gain something when we look at the situation that customers are directly mediated to the repair shop by an Allianz clerk.

Ideally, the clerk tries to mediate a customer to a partner repair shop in a very early point in time, ideally at the first notification of the claim.



Audit Assignments

An audit in ABS is an additional assignment which cannot exist alone. A basis (another assignment) is always needed for audit assignments, e.g. invoice, cost estimate, external expert opinion. Audits will be performed by internal as well as external experts. But in comparison with expert opinion, an Audit will not be done onsite. So you could call it as well desk inspection.

There are two types of Audit Assignments:

1. Audit (property / vehicle), additional assignment to an arbitrary property or vehicle assignment to have it audited (e.g.: invoice audit, invoice amount, plausibility).
2. Medical Audit - Additional assignment to an arbitrary medical assignment to have it audited (e.g.: invoice audit, invoice amount, plausibility).



Neutral Assignments

There are two sorts of neutral assignments. The first is assignment person which is for a person whose process cannot be covered by other assignment types. The second is assignment Property which is for a property whose process cannot be covered by other assignment types.



Invoice and Inspection Assignment Demonstration

Invoice Assignment Demo

You have received an invoice from a repair shop in the amount of 500€ for the damage.

In the settlement block, from the drop-down list box, select Invoice and then click the Create button. The system navigates to the top-tab Settlement side-tab Result.

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

Roberts Julia
A-1140 Vienna, Linzer Straße 221; 01/01/1980 English, P
RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... John Salesman (8836575, Dir: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing 5

Overview	Responsibility	Allianz International Insurance / Robert Richards	
Master data	Insurance coverage	Under assessment	Blame
Comment	Deductible	Claims provision	0.00
Documents	Processing	Status	Date
Doc. Evidence	x Loss notice	Examine	To be checked
Sched. task	✓ Police report	not existing	
Process slip	✓ Incomplete documents	not existing	
Questions	✓ Unsubmitted documentary evidence	not existing	
Claimants	✓ Open sched.tasks	not existing	
BO activ.	Settlement	Status	Date
Customer info	Vehicle, Alfa Romeo 8C Competizione, W123456, 34523452435, Yes,....	Open	
Expectation	Invoice	Create	
Feedback	Roberts Julia / Female / 01/01/1980, A-1140 Vienna, Linzer Straße 221	Open	
Accum.loss ...		Create	
SysFR		Examine...	Calculate...
Add-on			
Scoring			

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V20.0.01b.45

Claim file [RR8000732125/2020 1500000] < on DTINT01>

File Edit Branch out Partner Extras Window ?

Roberts Julia
A-1140 Vienna, Linzer Straße 221; 01/01/1980
RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... English, P John Salesman (8836575, Dir.: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing > 5

List General data
Assignment
Result
Benefit
Comment
Documents
BO activ.

Invoice No. 4548 Issuance date 07/01/2019 Receipt date 07/03/2019
Attach document... Receipt currency EUR

Issuer B&R Kanuric GmbH; A-1130 Wien, Osttrakt 45 Search...

Damage/Person
Installation errors, Vehicle, Alfa Romeo 8C Competizione, W123456, 34523452435, Yes
New... Remove
1/1

Positions
Type Labour Amount 300.00 New... Remove
Material 200.00
2/2
Paym. term 0 Days Total amount EUR 500.00 Gross Net

Recipient B&R Kanuric GmbH; A-1130 Wien, Osttrakt 45 Search...
Bank transfer, IBAN: AT27 3030 5032 6492 7871, BIC: ANONAT11039, Banc code: 30305 Account info... Calculate

TESTMFR
20.0.01b.45

In the Invoice Number field, enter the external invoice number 4548. Enter the issue date of 07/01/2019 and the receipt date of 07/03/2019. In the Voucher Currency field, select Euro.

Click the Attach Document button to link the invoice with the original document. Select the issuer from the Requisite drop-down list box. You have the option of selecting any of the involved persons in this Claim (or adding a new one). In this case, select B&R Kanuric GmbH.

In the Damage/Person block, notice the damaged property or person for which this assignment is created. You can click the New button to add additional properties or persons to settle all within a single assignment. However, in this case, there is only the invoice for the damage to Julia Robert's car.

In the Positions block, click the New button to add a position of the invoice. From the drop-down list box, select Labor and in the Amount field, enter 300. Click the New button again to create a second position. From the drop-down list box, select Material and in the Amount field, enter 200.

In the Recipient block, select the B&R Kanuric GmbH. as the recipient of the requisite payment. In the drop-down list box just below, select bank transfer

Inspection Assignment Demo

In the Claim Overview window, in the drop-down list box below the damage to Julia Robert's car, select Expert Opinion Vehicle and then click the Create button.

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

Roberts Julia
A-1140 Vienna, Linzer Straße 221; 01/01/1980 English, P
RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... John Salesman (8836575, Dir: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing 5

Overview	Responsibility	Allianz International Insurance / Robert Richards
Master data	Insurance coverage	Under assessment Blame Claims provision 0.00
Comment	Deductible	Claims payment 0.00
Documents	Processing	Status Date
Doc. Evidence	x Loss notice	Examine To be checked
Sched. task	✓ Police report	not existing
Process slip	✓ Incomplete documents	not existing
Questions	✓ Unsubmitted documentary evidence	not existing
Claimants	✓ Open sched.tasks	not existing
BQ activ.	Settlement	Status Date
Customer info	Installation errors, Vehicle, Alfa Romeo 8C Competizione, W123456, ...	Open
Expectation	✓ Invoice; 500.00 EUR	Ascertained 07/05/2019
Feedback	Expert opinion vehicle	Create
Accum.loss ...	Roberts Julia / Female / 01/01/1980, A-1140 Vienna, Linzer Straße 221	Open
SysFR		
Add-on	B&R Kanuric GmbH, A-1130 Wien, Osttrakt 45	Open
Scoring		

TESTMFR
V20.0.01b.45 Examine... Calculate...

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

Roberts Julia
A-1140 Vienna, Linzer Straße 221; 01/01/1980 English, P
RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... John Salesman (8836575, Dir.: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing > 5

List Expert opinion vehicle, 191866313040, New, 07/05/2019, New ▲ ▼

Assignment Damage / Person
Result Installation errors, Vehicle, Alfa Romeo 8C Competizione, W123456, 34523452435, Yes Add Remove
Benefit
Comment
Documents
BO activ.
Invoicing
Process slip

1/1 Reason / Subject area
Reason Subject area Functional skill
Tool Transport unit

Inspection location / Location
City Repair shop, B&R Kanuric GmbH, A-1130 Wien, Osttrakt 45
=Customer address =Workshop =Drive In =Event location Other place...

Customer agreement
Customer Roberts Julia; A-1140 Vienna, Linzer Straße 221, 01/01/1980 Search...
Process from 06/08/2020 Details...
Information

Assignment relation
Principal Contractor Per.in charge Allocate...

Assignment status
Status New Reason

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The system navigates to the top-tab Settlement, side-tab Assignment.

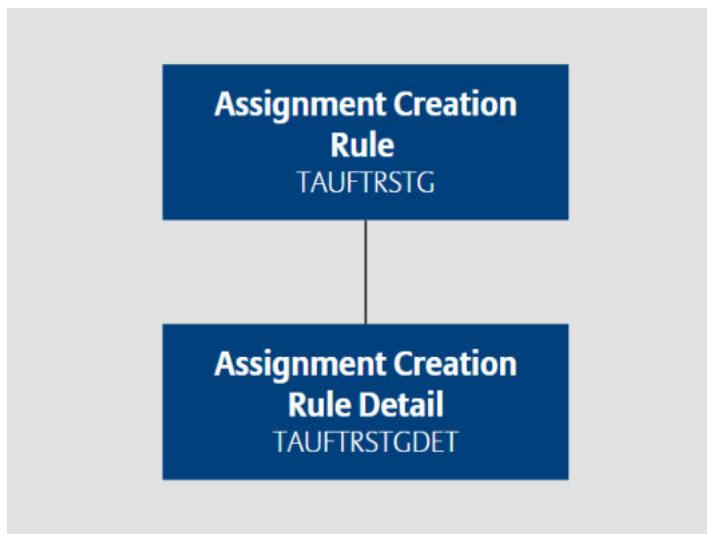
In the Damage/Person block, notice the damaged property or person for which this assignment is created. You can click the New button to add additional properties or persons to settle all within a single Assignment. However, in this case, there is only the car of Julia Roberts.

In the Reason/Subject block below, you can select the reason for the Assignment, the subject area, the functional skill, any assisting tools and the transport unit. This is required information for the business partner in order to properly carry out the assignment, and as such, can also be configured at the business partner level.

In this case, from the Subject Area drop-down list box, select Vehicle Expert. Leave the other fields empty, since this is the only criterion necessary to process and complete the expert opinion at hand. In the Inspection Location block enter the location at which the vehicle is to be inspected, in this case by clicking the Workshop button, since Julia Robert's car is already at the repair shop awaiting inspection.

In the Customer Agreement block in the drop-down list box Customer, select Timothy Barnes and enter the process from date of 06/08/2020. Under Assignment Relation, the principal is displayed. This is usually the insurance company, a contractor (i.e. an organization with a pool of experts) and the person in charge.

At the bottom of the window, in the drop-down list box Status, shows the current status of the assignment.



- In Assignment maintenance, each Assignment type has a defined Assignment rule with a time validity for Assignment creation.
- In the side-tab Detail, you can define whether an Assignment must be created, should be created, can be created or may not be created at all.
- In the side-tab Area Allocation, an Assignment type can be allocated to a given region by means of adding and removing areas to the allocated regions section.

Continued on next page >>



Definitions

Process Slips

Location

Subject Area

Assignment

Assignment - Part 2

Settle



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Assignment Definition

Assignment Type Definition TAUFTRAG_DEF

To make an assignment type available in ABS, it needs to be defined and configured in the Defining Data (TAUFTRAG_DEF). An assignment type and its characteristics are defined in the assignment type definition entity.

Characteristics can include:

- The business object type to which the assignment can be created, such as to a claim or contract.
- The assignment type basis, such as a person, a property, both, or damage.
- Whether or not costing is enabled for this assignment type.
- The assignment type's availability in ABS Portals.

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Assignment Rules

In addition to the definition of an assignment in the defining data of ABS, also assignment rules have to be created for the defined assignment type in order to provide it to the user in the ABS client. There is a dedicated tool, the claim/assignment maintenance, for this purpose. Note that the creation of the rules takes place in the operational data of ABS, not in the defining data like the assignment definition.

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The claim assignment maintenance tool can be opened from the ABS Richt Client entry window via the menu bar item "Actions". Only the top-tab Assignm. is of importance:

In side-tab List, assignment creation rules are defined. They consist of the following general data:

- Rule name
- Assignment type
- Valid-from and valid-to date

In the side-tab Detail, you can define whether an assignment must be created, should be created, can be created or may not be created at all. In addition, assignment creation rules also contain details such as:

- Type of assignment basis, i.e. property or person
- Class
- Loss type and loss cause
- Property type and person type
- Damage and injury types

In the side-tab Area Allocation, an assignment type can be allocated to a given region by means of adding and removing areas to the allocated regions section. An assignment rule always has a connection to an event, whereby upon the occurrence of a claim, the creation of an assignment may or may not be allowed.



A result can be that the assignment (must/should/can/may not) be created.

Criteria can be class, loss type, loss cause, claim extent, and so on.

Consider this example:

For claims with a car liability class and a claim expenditure greater than 3,000€, a vehicle expert opinion has to be created.

In other words, if a claim fulfills these criteria, then the clerk must create an assignment of that specific type.



Business Partner Maintenance

Business Partner Starting Point

The claim field service, pool of experts and repair shop network all need the Customer Care Center. The claim field service communicates with the Customer Care Center, as well as with the experts and the repair shop network.

In general, business partners are managed in the person file. A business partner can have the following characteristics which must correspond accordingly upon assignment creation:

- Business partner type, e.g. repair shop, lawyer, expert, etc.
- Subject area, e.g. motor vehicle repair shop for Mercedes
- Functional skills, e.g. auto body specialist
- Transport unit, e.g. tow truck for special cars with special characteristics

- Tool, e.g. special electronic device for checking engine combustion characteristics
- Regional allocation, whereby ABS business partners can be assigned to predefined regions, e.g. south-east
- Services and service prices
- Operating hours, e.g. M-F 9:00 – 17:00, or 24/7

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Additionally, for Allianz Partner Service Partners (APS Partners for short), the following two characteristics are important:

1. Condition which can include service agreements, including agreed rebates and discounts
2. Matching between offered services and claim damages, e.g. based on claim damages, only relevant business partners like repair shops can be selected in the claim file



Business Partner Technical Connection

ABS offers several communication interfaces:

Portal Connection

ABS offers the tools in order to build portals for business partners, customers, repair shops, external experts, brokers, agents and others. From ABS core perspective these are mainly the ABS Core Adapter and CISL.

XML Data Interface

ABS provides file exchange through a proprietary XML data interface.

ABS Web Services

In the past ABS supported Web Service calls via the Enterprise Service Bus. It was used for information and data exchange with the central ABS servers and databases. Web Services have been removed and exchanged with REST Services using CISL and ABS Adapter.



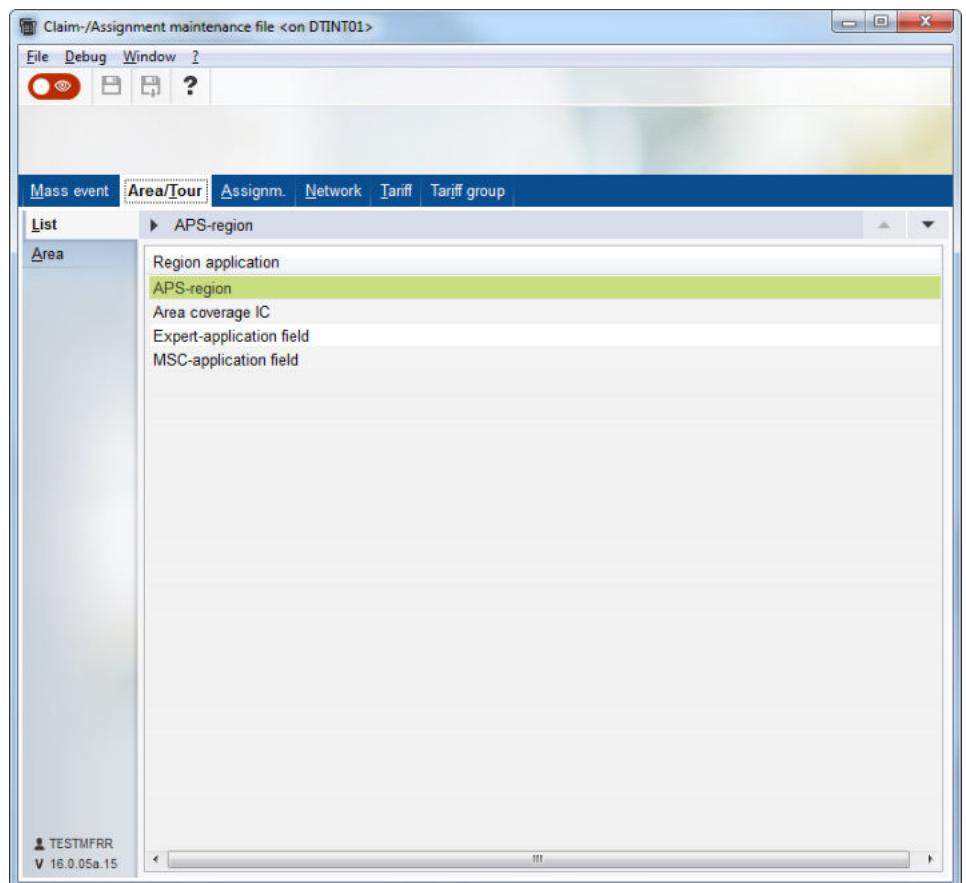
Region Tour Planning

ABS provides the possibility of region and tour definitions for business partners. This serves the purpose of being able to efficiently find the right business partner for an assignment. For example, to repair the vehicle of the customer, the system searches for repair shops only in a certain region around a given location, being for example the residence of the customer or the current place of the vehicle.

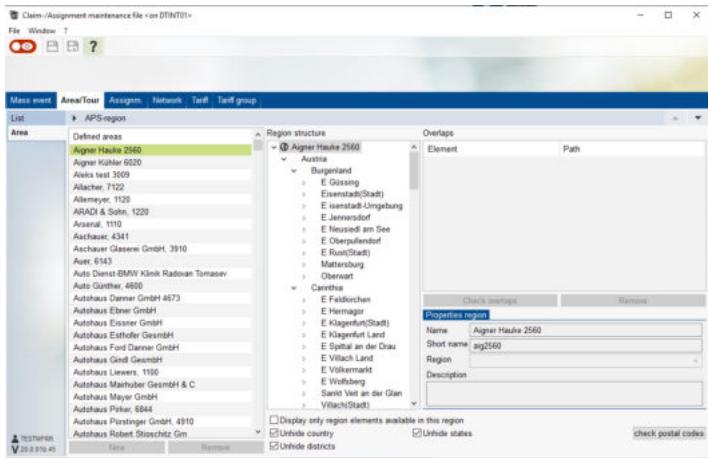
The representation of regions and tours includes:

1. Region lists
2. Regions
3. Tours

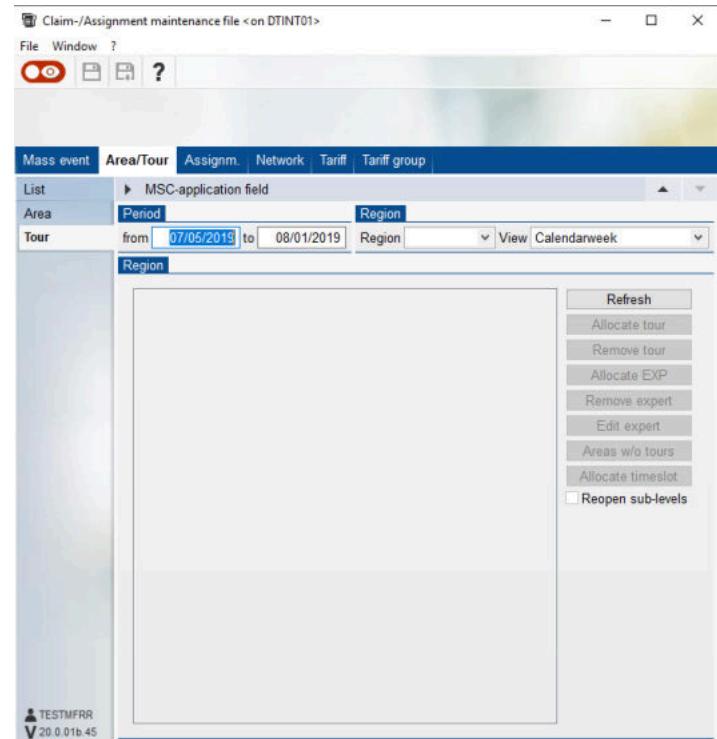
- There are different types of regions. There are regions for mobile claim agents, expert regions, region partner repair shops, and so on. The different regions are maintained in a region list.
- Postal codes can be added to given regions. Use of these postal codes can determine local and remote zones within regions.
- By means of a tour it is possible to service a given region with mobile claim agents or experts over a defined interval. For example, a certain expert is available in a certain region only on Monday. This is modelled as a tour in ABS. It is the tuple business partner, week day, region.
- Region and tour planning can be taken into consideration when allocating assignments to experts.



In order to create areas and tours, the claim/assignment maintenance file is used. Note, that this is not a configuration because it takes place in the operational data of ABS, not in the defining data.

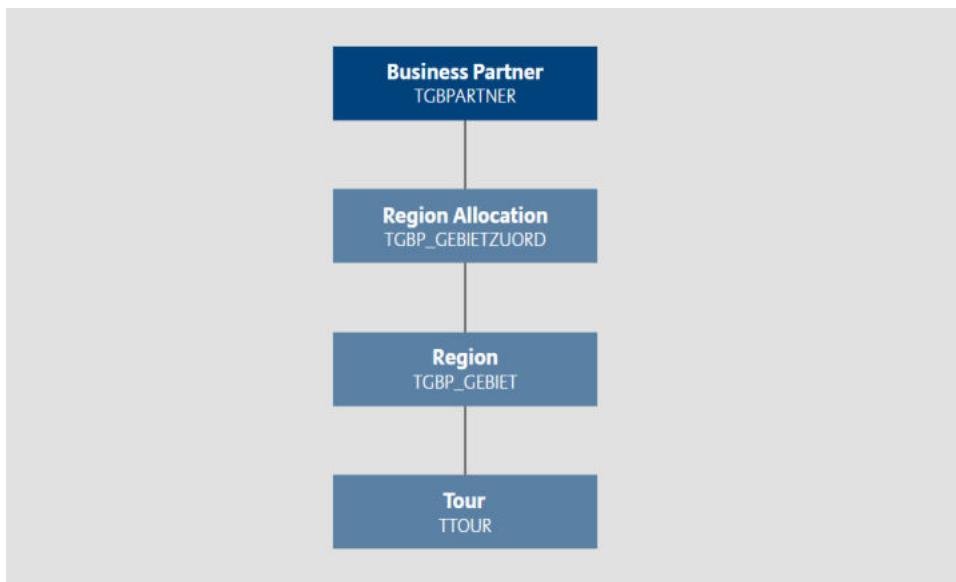


In the side-tab Area, the area itself is defined and postal codes are allocated accordingly. A basic check can be performed to determine whether a postal code is part of more than one area to verify whether any areas overlap.



In the side-tab Tour, you can define the occupation of a given area with one or more business partners over a defined interval. It is also possible to state within such a definition how many assignments can be allocated to a given business partner before and after midday. With the allocation of assignments, the occupation of a given tour can be considered when determining the optimal business partner for a given assignment.

Region Tour Planning in the Data Model





Work Lists

The settlement process is further supported by expert opinion work lists which are used to allocate or process assignments.

The expert opinion work list is used by external or internal experts and their team leads. If a new assignment is created by a clerk in ABS, the right expert is allocated by a team leader from either the expert company (in case of external experts) or the internal expert department.

Experts are able to transfer, reallocate and complete their respective assignments via the work list. Expert opinions can also be rejected from the work list. There is also a tour planning tool via planning or Scheduled Task agreement functionality.

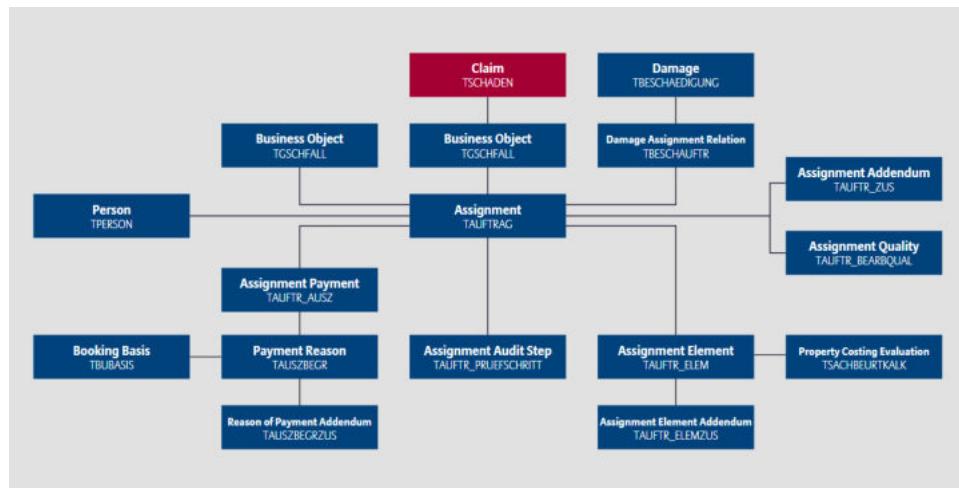
The settlement process is also supported by assignment work lists which are used only for restitutions to monitor service level fulfillment.



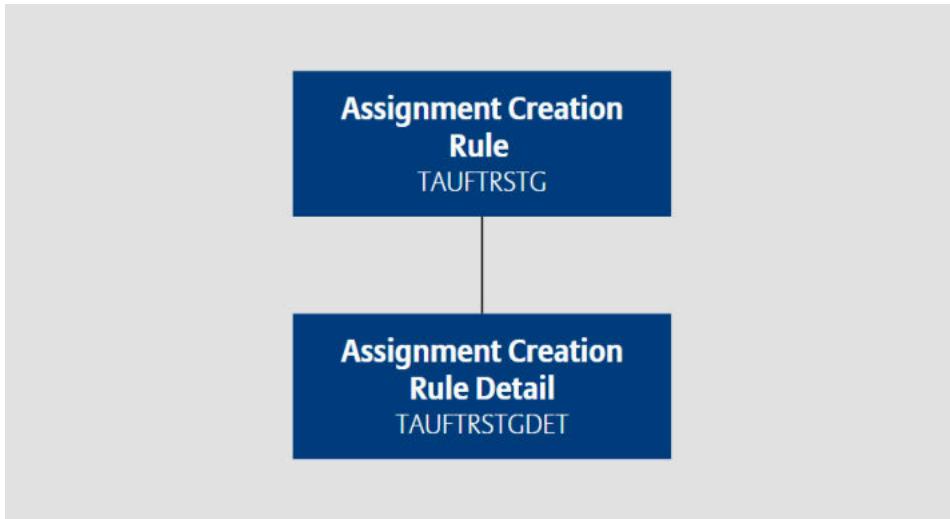
Assignment Data Model

The relation between claim and assignment is resolved somewhat differently than the relation between claim and contract. A claim is directly related to a contract entity via the coverage entity.

An assignment is related to a claim via the business object, which means that the assignment entity contains the business object ID (the foreign key) of the claim entity. This is due to the fact that assignments cannot only be linked to claims but also to contracts, persons or properties.



As such, it is logical to put the claim entity's primary key in the assignment entity.



Claims, contracts, persons and properties have one thing in common, namely that they are all functional objects which by definition are related to a business object. If a clerk creates an assignment to a contract, ABS places the business object's primary key for the contract into the assignment entity, and so on.

Information about persons related to an assignment, such as in the roles of assignment principal, assignment contractor or assignment person in charge, is gathered from the person functional object or entity. These are the possible relations between persons and assignments.



Knowledge Check

What is an assignment and why is it needed in ABS?

The functional object assignment is used in order to represent a certain type of settlement digitally in ABS. This can be e.g. an invoice or an expert opinion which is scanned and indexed. The assignment represents this document in a structured way.

Name all assignment categories in ABS.

Standard assignments, inspection assignments, restitution assignments, audit assignments and neutral assignments

What is restitution in ABS? How is this handled in ABS?

Restitutions mean the process of repairing a damaged object. In ABS there is active (the clerk proactively offers a partner service provider to the customer) or passive restitution (the customer goes directly to the external business partner who creates the cost estimate). For each of the restitution types there are two assignment types in ABS: one for cost estimate and one for invoice.

Name assignment types which are used in ABS to order an internal or external expert for assessment.

Expert opinion non life, expert opinion vehicle, Medical expert opinion

What has to be done in ABS in the defining and in the operational data in order to be able to create assignments for claims?

- Defining data: populate the table TAUFRAG_DEF (assignment type definition)
- Operative data: define assignment rules in the assignment maintenance.

What can be the basis of an assignment?

A document which has been received.

Name some properties of the assignment

Positions of the assignment, issuer, recipient, assignment result to capture the result, comment

Give some examples of business object functions which are used by the assignment. Why are they needed?

- Documents: to attach the basis for the assignment to the assignment.
- Comments: to write a comment to the assignment type.

What do the standard assignment types have in common?

Standard assignments are assignments which are received from external, in general from the customer. No outsourcing to an expert, simple process of capturing data and pay out.

Please describe the functionalites of the restitution assignment.

First a cost estimate for the repair is created. After approval of it by the claim handler, the repair shop repairs the damage and sends an invoice to Allianz. Allianz pays out directly to the repair shop.

Why is it efficient to mediate customers to Allianz partner service repair shops?

Allianz has special conditions with the partner repair shops (such as a free car wash). The prices are also lower and the customer does not have to take care of the payment: the payment is done directly between Allianz and the repair shop.

Where and how can you create an assignment in the claims file?

On the claim overview choose a relevant for settlement person or damage. In the DDLB then the available and configured assignment types are shown.

What are the things that need to be done in order to define new rules for existing assignment types?

Open the assignment maintenance and adapt the rules.

What data can be stored for a business partner in ABS?

Master data of the business partner, opening hours, types of services, functional skills, transport unit, tariff and tariff groups

What is the purpose of the region/tour planning tool?

Serves the purpose of being able to efficiently find the right business partner for an assignment. For example, to repair the vehicle of the customer, the system searches for repair shops only in a certain region around a given location, being for example the residence of the customer or the current location of the vehicle.



Definitions

Business Object

Loss Type

REST

Web Services

Foreign Key

Primary Key

CISL

XML

Subject Area

Costing

Settle



Costing Procedure

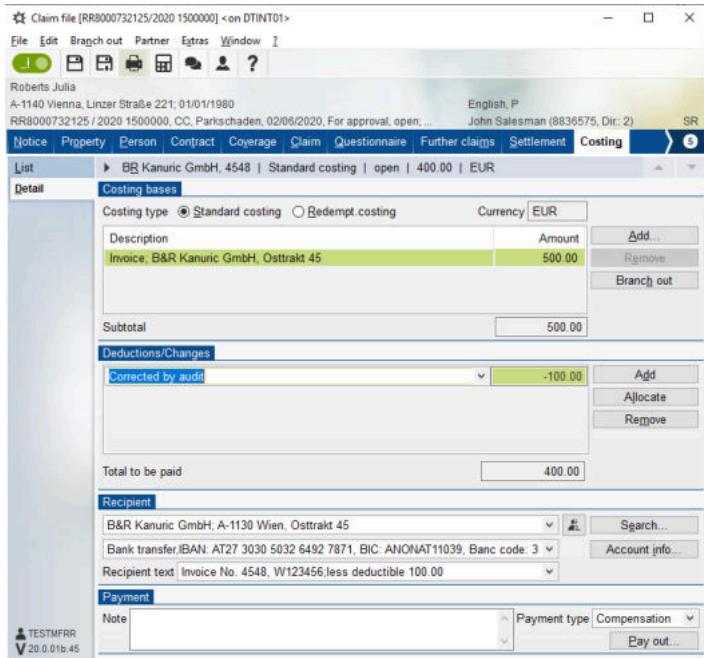


Returning to the example of the claim of Julia Robert, the invoice of 500€ received for the repair of Timothy's car is checked by an expert. The result of the audit is a reduction of 100€. This amount is considered in the costing of the invoice assignment. Therefore, the payment to the customer will be only 400€.

The invoice received for the repair of Timothy's car was received and created in ABS and then checked by an expert. The result of the audit is a reduction of 100€. As a claim clerk, you have to calculate the invoice and reduce the payment by 100€. Start from the Settlement Result window and click the Calculate button.

The screenshot shows the ABS Settlement Result window. The top menu bar includes File, Edit, Brach out, Partner, Extras, Window, and Help. The main area displays a list of settlements. A specific entry for an invoice from B&R Kanuric GmbH is highlighted in green, showing a total amount of 500.00 EUR and a status of 'Ascertained'. Below this, there is a section for 'Expert opinion vehicle' with two entries: one checked and one unchecked. At the bottom of the window, there are buttons for Release, Refresh, Appoint addit. exp. opinion, Med. Examine..., Examine..., Calculate..., New..., and Remove... . The status bar at the bottom left shows TESTIMFR and 20.0.016.45.

- Calculate the invoice and reduce the payment by 100€. Start from the Settlement Result window and click the Calculate button.
- The system navigates to the top-tab Costing side-tab Detail.



This window provides the following information and functionality:

1. Certain assignments can be added or removed at a later date in the block Costing basis.
2. Deductions, i.e. deductibles envisioned in the contract or corrections due to an inspection
3. Recipient
4. Payment type

In Costing Bases, you can select the costing type. The Add button enables you to add further assignments for calculation. If you want to pay out more than one assignment based on a single Booking basis, you must calculate them together in advance. For example, if the customer sends two invoices, both are captured using the assignment type invoice in ABS. In order to have only 1 payment to the customer, we have to combine both assignments in one costing.

In Deductions/Changes click the Add button to enter the audit's reduction.

In the drop-down list box, select Correction by Audit and in the Amount field, enter -100.

In the Total to be Paid field, notice that the reduced payment sum of 400€ is displayed.

The recipient is pre-allocated, as the requisite data was already entered in the assignment.

Once the costing has been done, click the Pay Out button.

The system navigates to the Account Detail tab where you can see the booking and its details.



Costing Types

There are two types of costing:

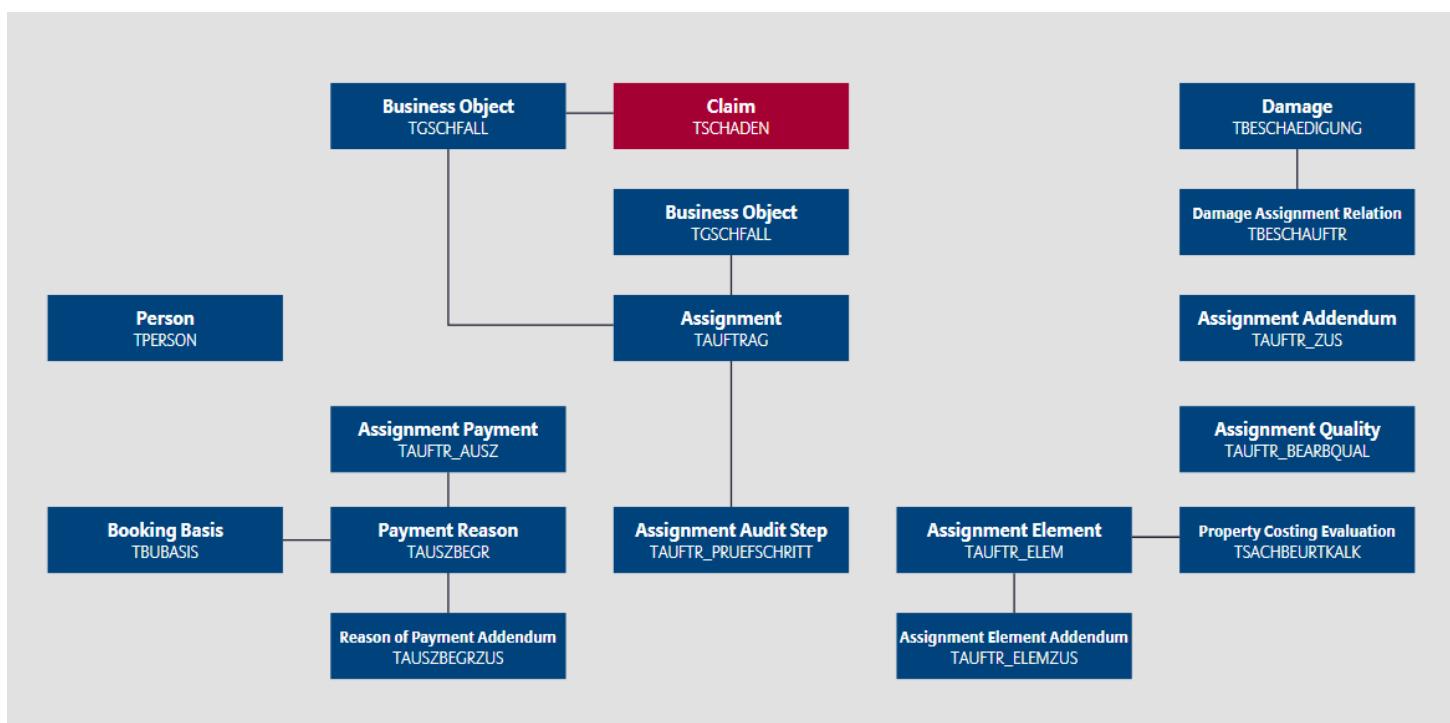
1. Standard costing
2. Redemption costing

The example from the previous chapter was a standard costing. This means that the process started with an amount from the costing basis which was 500 in the example (the amount of the invoice). Based on this each deduction is captured with type and corresponding amount. In the example there was only a deduction coming from an audit, but there could be other deductions as well such as deductibles.

On the other hand there is the redemption costing. The redemption amount is entered and the system calculates automatically the redemption difference by using the amount from the costing basis. An example would be a cost estimate of 5.000 for repair of a house after a water damage. Instead of paying now the amount of 5.000€, Allianz can offer a redemption of e.g. 2.500€ to the customer. The savings would therefore be 1.500€ which is captured as a redemption difference in the costing tab by the system.



Costing in the Data Model



The related entities for the costing are payment reason and reason of payment addendum. In these entities the information about the type of costing, relation to costing basis (assignments) and the types of deductions is stored. Also the relation to the bookings is persisted.



Knowledge Check

What needs to be done in order to have an assignment available as costing basis?

To define the costing base in TAUFRAG_DEF as calculable

What is the purpose of costing in ABS?

The costing is used in order to document changes of the costing basis (the assignment type). Usually these are deductions

What different types of costing do exist?

Standard and redemption costing

What is the basis of the costing?

An assignment type which is calculable.



Definitions

Booking

Account Account



i

Booking and Payment



Returning to the example of Timothy Barnes: The final indemnity for the repair of Timothy Barnes's car is now calculated and a clerk is set to pay out the invoice from the Mercedes repair shop on Timothy's account.

All bookings from the claim for collection and disbursement are listed in the account and subsequently transferred to the collection and disbursement interface after the claims post-processing has run, provided nothing impedes its status from allowing that.

An overview of the claims account can be seen in tab Claim Master data.

Claim expend.	effective	allocated
Provision	.00	.00
Compensation	.00	.00
SA-payment	.00	.00
Goodwill	.00	.00
Expenses	.00	.00
Rec.reserve	.00	.00
Recourse receipt	.00	
Total	.00	.00

Provision details

Bookings are divided into:

- Provision
- Compensation payments
- SA-payments (split-agreement)
- Goodwill payments
- Expenses
- Recourse reserver
- Recourse receipt

In top tab Account the individual bookings and details are shown (see demonstration in next chapter).

Booking detail information consists of:

- Currency
- Amount
- Booking text
- Type of booking
- Individual Escalation
- Booking status

- Date
- Payee information
- Benefits calculation

In principle, a booking is possible with or without a preceding calculation. So either a payment is created based on a costing (see example in next chapter), or directly in tab Account via button "New".

Furthermore, the persons entered in the claim are available for selection as payees, including account data, if such is available for the person at hand. If the payee is someone else, it is possible to search as well as add account data for that person.

Manual or automatic withholding or escalations of bookings are possible, for example if a clerk has exceeded his or her payment limit. In such a case, a Process Slip is written to the team leader and the payment can not be processed until the payment is released by the team leader.

If the status of a booking is not authorized, it is not transferred to the collection and disbursement interface and instead is withheld. If the booking is authorized, however, it receives the status Booked.

Claim bookings may only be edited if they have one of the following status values:

- Incomplete
- Approved
- Booked

There is a line of demarcation between claim and collection and disbursement, even though the latter is an essential cross-cutting functionality. Initially, the claim constructs the bookings and prepares them for Post-Processing in collection and disbursement. That said, the approved bookings are picked up by the collection and disbursement interface in post-processing, where they obtain the status of Booked and are forwarded to the internal cash flow system, or general ledger and Subledgers, all of which are part of the ABS system. In post-processing, the Claim-specified booking amounts are effective.

Claim payments created by mistake can be manually cancelled in the claim file. In such instances, the payment status is set to "declined" and the payment process stops. If there is a rebooking or a documentation-only booking (does not result in a payout), the payment status is directly set to "paid off".



Account Demonstration

Check out the slider to know more

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Branch out Partner Extras Window ?

Roberts Julia
A-1140 Vienna, Linzer Straße 221; 01/01/1980 English, P
RR8000732125 / 2020 1500000, CC, Parkschaden, 02/06/2020, For approval, open; ... John Salesman (8836575, Dir: 2) SR

Notice Property Person Contract Coverage Claim Questionnaire Further claims Settlement Costing

List Detail Costing bases

Costing type Standard costing Redempt.costing Currency EUR

Description	Amount
Invoice: B&R Kanuric GmbH, Ostrakt 45	500.00

Add... Remove Branch out

Subtotal 500.00

Deductions/Changes

Add Allocate Remove

Total to be paid 500.00

Recipient

B&R Kanuric GmbH; A-1130 Wien, Ostrakt 45 Search...
Bank transfer,IBAN: AT27 3030 5032 6492 7871, BIC: ANONAT11039, Banc code: 3 Account info...
Recipient text: Invoice No. 4548, W123456

Payment

Note Payment type Compensation Pay out...

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V20.0.01b.45

To pay out the invoice from the Kanuric repair shop for damage to Julia Roberts' car, navigate to the top-tab Costing side-tab Detail and at the bottom-right corner of the window, click the Pay Out button

Detail

Payment

Amount	EUR	500.00	Classification...
Date	07/05/2019	Type	Compensat.
Booking note	Transfer invoice No. 4548, W123456		

Recipient details

B&R Kanuric GmbH, A-1130 Wien, Ostrakt 45	Allocate...
HO, A-1130 Wien, Ostrakt 45	Detail...
Order	Bank transfer
Account	IBAN: AT27 3030 5032 6492 7871, BIC: ANONAT11039, Banc code: 30305, i
Cheque No.	Receipt No.
Dev. recipient	
Recipient text	Invoice No. 4548, W123456

Individual escalation

Add
Remove
Reason

Branch out to cgstng

TESTMFRR
V20.0.01b.45

The system navigates to the top-tab Account side-tab Detail.

Notice the details of the payment booking. Other than the field status and date, all other fields are disabled, as you created an assignment which has been calculated, and the payment has also been created. As such, the whole process has been documented in a consistent manner. If the booking amounts were changed, it would no longer fit the calculation, which would render the documentation inconsistent. It is also impossible to edit the costing as long as it is related to the booking basis. In the Date field, you can however change the effective date on which the booking will be paid out. In the Status drop-down list box you can cancel the booking which you might do if there were any mistakes in the original data entry.

List

Detail

total Provisions Total 1,000.00

Date	Amount	Currency	Type	Recipient	Status	Provision
06/01/2020	500.00	EUR	Compensation	B&R Kanuric GmbH /	Approved	-500.00
07/05/2019	-1.000.00	EUR	Provision		Approved	-1.000.00

1/2

Clerk Reins.-detail Classification total... Copy New Remove
Display recipient Pay out returns Split payment

There are two places in the claim file where you can create a payment booking. The first is via costing and the second is from the top-tab Account side-tab List, which is currently displayed. To create a new booking, at the bottom-left corner of the window click the New button.

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Brach out Partner Extras Window ?

Roberts Julia

A-1140 Vienna, Linzer Straße 221; 01/01/1980 English, P John Salesman (B836575, Dir: 2) SR

Person Contract Coverage Claim Questionnaire Further claims Settlement Costing Account

List ▶ 07/05/2019 | 0.00 | EUR | Compensation

Detail

Payment

Amount	EUR	100.00	Classification...
Date	07/05/2019	Type	Compensat
Booking note	Transfer		

Recipient details

Roberts Julia, A-1140 Vienna, Linzer Straße 221, 01/01/1980	Allocate...
PR, A-1140 Vienna, Linzer Straße 221	Detail...
Order	Bank transfer
Account	IBAN: AT02 2050 3021 0102 3600, BIC: EASYATW1XXX, Country: A
Cheque No.	Receipt No.
Dev. recipient	Allocate...
Recipient text	

Individual escalation

Add
Remove
Reason

Branch out to costing

TESTMFR
V20.0.01b.45

In the field Amount, enter 100. In the Type field, you can select the payment type. In this case, leave it on Compensation. Under Recipient Details, in the drop-down list box, select Julia Roberts as the recipient and in the next Order drop-down list box, select Bank Transfer (other payment methods available are bank transfer, reBooking to Customer Account, reBooking to contract or manual cheque). In the window's final block, you can create an individual escalation related to the booking. You might do this if you are unsure about the booking created, the Escalation could serve to obtain confirmation from your team leader.

Claim file [RR8000732125/2020 1500000] <on DTINT01>

File Edit Brach out Partner Extras Window ?

Roberts Julia

A-1140 Vienna, Linzer Straße 221; 01/01/1980 English, P John Salesman (B836575, Dir: 2) SR

Person Contract Coverage Claim Questionnaire Further claims Settlement Costing Account

List ▶ 06/08/2020 | 100.00 | EUR | Compensation | Roberts Julia / EASYATW1XXX, No. AT022050...

Detail

Provisions

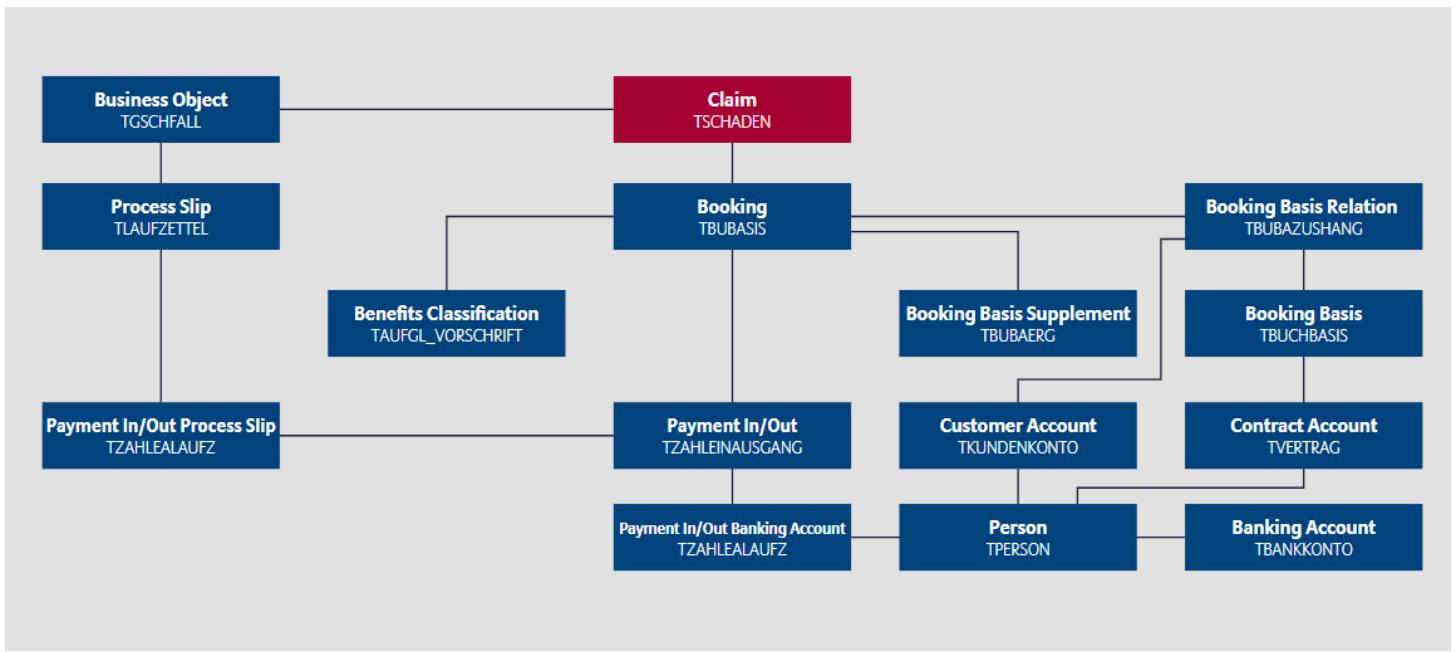
Date	Amount	Currency	Type	Recipient	Status	Provision
06/08/2020	100.00	EUR	Compensation	Roberts Julia / EASYA...	Approved	-400.00
06/01/2020	500.00	EUR	Compensation	B&R Kanuric GmbH / ...	Approved	-500.00
07/05/2019	-1,000.00	EUR	Provision		Approved	-1,000.00

1/3 Clerk Reins-detail Classification total Copy New Remove Display recipient Pay out refunds Split payment

Click the side-tab List. Here you can create, copy or remove a booking. One final point to remember is that bookings can only be removed as long as they have not been saved.



Booking in the Data Model



Basically, the relation between claim and booking is built in such a way that the booking entity contains the primary key of a given claim. The booking basis for a claim can also be related to a benefit classification, which is essentially a detailed classification of the booking, modeled in PEX.

Information regarding payment method, payment recipient, recipient bank, account information and recipient address are stored in the following entities:

- Booking basis relation
- Booking basis
- Customer account
- Contract account
- Banking account
- Person
- In/out payment
- Customer account



Knowledge Check

Where can the claim clerk see all bookings for a claim?

In the top tab Account, side tab List

What possibilities exist in ABS to create payments for claims?

Payments can be created through assignments or can be done directly through the Account top tab in the claim file (then they are not linked to an assignment).

Name some booking details which are shown in the tab Account Detail

Currency, amount, booking date, payment type, recipient data (name, address, bank account, individual escalation)



Definitions

Claim

Booking

Escalation

Primary Key

PEX

Booking Basis

Customer Account

Business Object

Process Slip

Contract Account

Post Processing

Escalations & Payments

Account



Escalation Process

When handling a claim, bookings can be escalated, that is to say, process slips are created for a given booking. The process slip for a booking is created for the business object of the claim in question and linked to the booking basis by means of an associative entity.



Upon payment creation, the clerk might decide to route the payment for another role and call for further review. This procedure is called an individual escalation. Escalated payments in claim stop the claim from being post-processed.

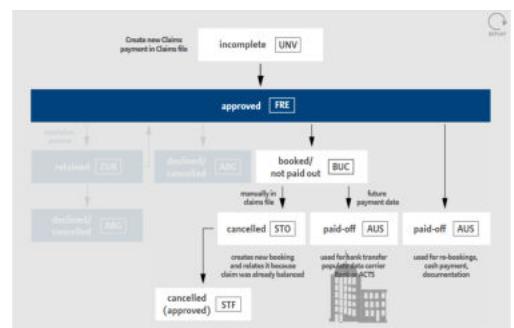
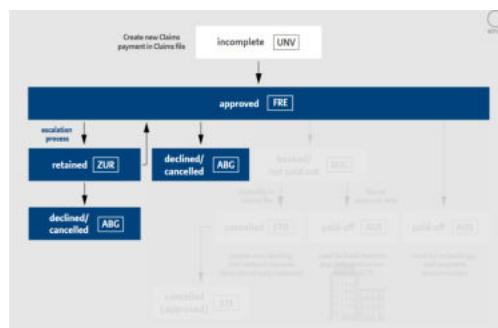
A claim can have different payment status

(The values in brackets are the domain values for future reference).

- The payment is in status "**incomplete**" [UNV] as long as information on the payment is missing. In this status the clerk can overwrite amount, date, order etc. Once all attributes are entered, the status changes to "**approved**" [FRE]. After saving the claim, claims post-processing takes over and processes the payment further.
- If payment escalation applies, the payment status is set to "**retained**" [ZUR]. The example in slide 3 shows an individual escalation that was added by the clerk manually and is directed to a certain role. Once this escalation is removed, the payment goes back to its previous state.
- The claim is not yet balanced; the payment is awaiting approval [FRE] or **rejection** [ABG] - usually applied in the claims work list.
- In the state "**booked/not paid out**" [BUC], the claim is already balanced (total compensation increased, total provision reduced) but the payment has not yet been forwarded.
- If the payment was approved, saved and did not get escalated, claims post-processing takes over and handles it further. One activity of the claims post processing batch is to place the payment in the data carrier that is forwarded at the end of the day to the banking partner. The claim gets the payment status "**paid-off**" [AUS].



Drag the slider in the middle to compare the different payment status.



Claim file [RR5688145922/2015 01000073] <on DTINT01>

Rupsch Hilda
A-9170 Ferlach, Schillerstraße 10; 06/04/1965
RR5688145922 / 2015 01000073, FZ: Direct lightning, 08/19/2015, For approval, op... German(Austria), P
IpadAgent (0159933, Dir.: 1) AD

File Edit Branch out Partner Extras Window ?

Person Contract Coverage Claim Questionnaire Further claims Settlement Costing Account

List Detail Payment

Amount EUR 155.00 Classification...
Date 09/07/2016 Type Compensation Status Incomplete
Booking note 3rd-party claim settlement-fee
Claim settlement fee
Compensation
Recipient details
Court-/legal costs Allocate...
Depot-Übertrag Detail...
Expenses (claim)
Expert fee Contract collect...
Goodwill payment Search...
Int. claims settlement costs
Loan amount Allocate...
Dev. recipient Lohn- und Einkommenssteuer
Recipient text

Individual escalation Add
Remove Reason

Branch out to costing

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V 16.5.00b.27

i The screenshots demonstrate the payment status incomplete, approved, retained and booked/not paid out.

This screenshot shows the creation of a claims payments in the claim file and the various payment status possible.

Claim file [RR5688145922/2015 01000073] <on DTINT01>

Rupsch Hilda
A-9170 Ferlach, Schillerstraße 10; 06/04/1965
RR5688145922 / 2015 01000073, FZ: Direct lightning, 08/19/2015, For approval, op... German(Austria), P
IpadAgent (0159933, Dir.: 1) AD

File Edit Branch out Partner Extras Window ?

Person Contract Coverage Claim Questionnaire Further claims Settlement Costing Account

List Detail Payment

Amount EUR 155.00 Classification...
Date 09/07/2016 Type Compensation Status Approved
Booking note Transfer

Recipient details
Rupsch Hilda A-9170 Ferlach, Schillerstraße 10; 06/04/1965 Allocate...
PR, A-9170 Ferlach, Schillerstraße 10 Detail...
Order Bank transfer Contract collect...
Account BIC: ANONAT11036, IBAN: AT403030252827009525, BLZ: 30302, KtoNr: 5 Search...
Cheque No. Voucher No.
Dev. recipient
Recipient text

Individual escalation Add
Remove Reason

Branch out to costing

TESTMFRR
V 16.5.00b.27

Once all information is available, the claim file switches the payment to status "approved".

Claim file [RR5688145922/2015 01000073] <on DTINT01>

Rupsch Hilda
A-9170 Ferlach, Schillerstraße 10; 06/04/1965
RR5688145922 / 2015 01000073, FZ: Direct lightning, 08/19/2015, For approval, op... German(Austria), P
IpadAgent (0159933, Dir.: 1) AD

File Edit Branch out Partner Extras Window ?

Person Contract Coverage Claim Questionnaire Further claims Settlement Costing Account

List Detail Payment

Amount EUR 155.00 Classification...
Date 09/07/2016 Type Compensation Status Retained
Booking note Transfer

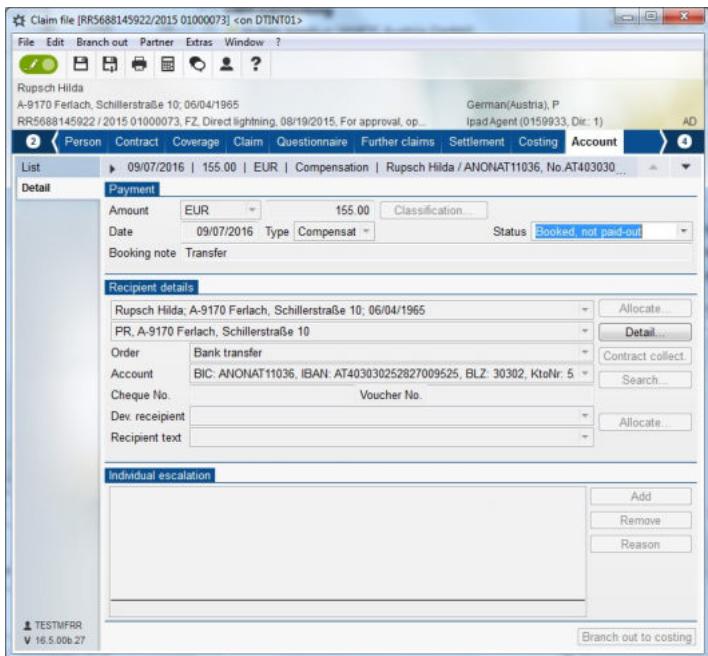
Recipient details
Rupsch Hilda A-9170 Ferlach, Schillerstraße 10; 06/04/1965 Allocate...
PR, A-9170 Ferlach, Schillerstraße 10 Detail...
Order Bank transfer Contract collect...
Account BIC: ANONAT11036, IBAN: AT403030252827009525, BLZ: 30302, KtoNr: 5 Search...
Cheque No. Voucher No.
Dev. recipient
Recipient text

Individual escalation
Please look at this payment ... SBS10CC Add
Remove Reason

1/1

TESTMFRR
V 16.5.00b.27

If payment escalation applies, the payment status is set to "retained".



In this state, the claim is already balanced (total compensation increased, total provision reduced) but the payment has not yet been forwarded.



Knowledge Check

What field shows if there is currently an open process slip on the booking?

The status of the booking.



Definitions

Process Slip

Booking

Escalation

Post Processing

Business Object

Booking Basis

Cancellation of Payments in Claim Account



ABS forwards approved payments to the designated banking partner. In odd cases when payments have not yet been forwarded, the clerk can manually cancel them in the claim file.

The below screenshots show a claim payment that has advanced to a certain stage, where it can get cancelled by the clerk. The first shows a new payment that has just been approved (payment information complete) while the other shows a payment after it has been prepared to be placed in the data carrier. **In both stages the payment can be cancelled by the clerk.**



Changes in payment status in the Claim File

Payment information complete

If clerks note they have made a mistake, they can manually change the payment status. Under account detail, they can choose the status from "approved" to "cancelled". This cancellation affects only payments that have not yet been picked up by a batch process and paid out.

Prepared to be placed in the data carrier.

If the claim payment is not already part of the data carrier, the clerk still has a chance to correct mistakes. For as long as the instruction has not yet been forwarded to the banking partner, the payment status remains "booked, but not paid out". The "booked, but not paid out" status allows for cancellation. When the clerk chooses "cancellation", a counter booking is created. The counter booking reopens the balance and, thus, let the pay out be completed at a later point in time.

Clerks need to cancel payments in claim when there is wrong information in the file (e.g. wrong recipient or invalid bank account data) or when data entries about a claim must be corrected. A change in the payment status from "booked, not paid-out" to "cancelled" cancels the payment.

As the claim is balanced upon the original approval, a new booking basis is created. This procedure reduces the claim balance once again. In general, payments from contract-related or person-related do not support cancellation. Once the payment has been paid-off it can only be clawed back using an ABS recourse. Proven drunkenness of the claimant is, for example, one reason for clawback. It is also necessary to clawback payments when insurance fraud is detected.



Knowledge Check

Name at least one reason why clerks cancel payments in claim.

Wrong information such as wrong recipient or invalid bank account data are common reasons for payment cancellation in claim.

Why are some collection types reserved to trusted customers only?

Because collection types influence when a contract balance is reduced. If the selected collection type is customer account, contract balance is reduced during policy processing. This usually takes place before the insurance company receives cash from the policy holder.

Benefit Classification

Settle



i

Let's start with an example to illustrate a benefit classification.



In Conrad Smith's rear-end collision on Timothy Barnes's car, the special department for vehicles requires that payments be classified into the following three benefit types:

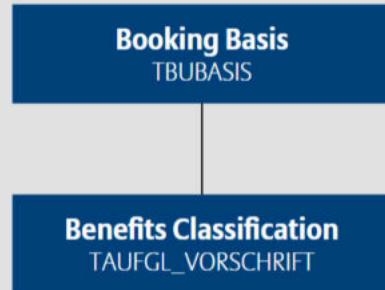
- Repair costs
- Total loss
- Repair redemption



The class product entity contains the class product's definition. The benefit classification entity is directly connected to class product and is directly related to the benefit classification detail. In other words, the benefit classification and its details are directly related to the class product.



Benefit Classification in the Operational Data

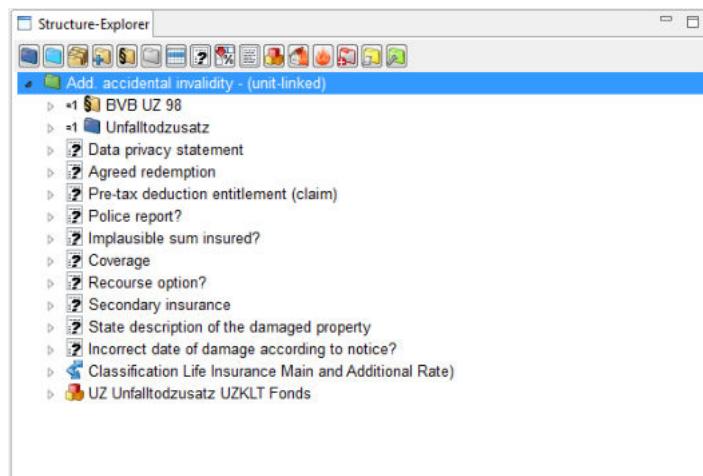


In the operational data, the benefit classification and its individual positions, manually or automatically entered, are directly connected to the booking basis.

Benefit Classification in ABS



The benefit classification regulation is created in PEX.
Expand the respective node to view your options.



Selecting a node visualizes further options.

Classification regulations Classification detail		
Sort order	Benefit payment type (subledger)	Benefit payment type (usage)
10	Permanent impairments - [UDAUERF]	Both - [B]
11	Permanent disability from ID - [UDFABIG]	Both - [B]
20	Death - [UTOD]	Both - [B]
30	Daily allowance - [UTAG]	Both - [B]
35	Medical costs - [UARZT]	Both - [B]
40	Hospital allowance - [USPITAL]	Both - [B]
50	Accidental costs - [UUNFKOS]	Both - [B]
60	Salvage costs - [UBERG]	Both - [B]
70	ADC - [UIR]	Both - [B]
80	AODC - [UBUR]	Both - [B]
90	Assistance - [UASSIST]	Both - [B]

Assign the benefit classification to the corresponding class product in the ABS Rich Client via drag and drop, whereby the details are automatically applied.

Type	Amount	Unit	Value	Note
Benefits	995.60		0.0000	
Insurance tax	-131.31		.00000	

In the Operational Data area, the benefits classification pop-up is displayed when a booking is edited. All you need to do is adjust the different sums to the right benefit classification positions. The sum of the positions amount to the sum of the booking basis.



Knowledge Check

Where can benefit classifications be configured?

They are configured in PEX on the level of class product.

What's the purpose of a benefit classification in ABS?

To detail a booking



Definitions

Class Product

Operational Data

Booking Basis

PEX

Claim Closure & Post Processing

Claim Closure



Once all assignments, scheduled tasks and process slips are completed and all claims payments are processed the claim can be closed. The checkboxes "forward BO" and "close claim" have to be checked.

Revisiting Conrad Smith's unfortunate rear-end collision with Timothy Barnes's car,



At this point, no further payment requests are expected, all assignments, process slips and scheduled tasks are completed.

As such, the claim can be forwarded to the final sub-process, namely the conclusion.

The screenshot shows the SAP Claims Management software interface. The top menu bar includes File, Edit, Branch out, Partner, Extras, Window, and ?.

The main area displays claim details:

- Location: Headquarter Non-life
- Category: Preliminary claim
- Clerk: Superuser Test Englisch
- Priority:
- Phone: (01) 878 07 - 0

The 'Claim' tab is selected. In the 'Claim expenditure' section, there are tables for Provision, Compensation, SA-payment, Goodwill, Expenses, Rec.reserve, and Recourse receipt. The 'Coverage / Liability' section includes fields for Premium-based coverage, Insurance coverage, Total sum insured, Blame, Deductible, and Recourse.

In the 'Claim status' section, there are two checkboxes: Forward BO and Close claim. The 'Closing date' field is set to 01/01/0001. A 'Provision details' button is also present.

The left sidebar lists various tabs: Master data, Comment, Documents, Doc. Evidence, Sched. task, Process slip, Questions, Claimants, BO activ., Customer info, Expectation, Feedback, Accum loss, SysFR, Add-on, Scoring, Note, TESTENG, and V 20.0.01b:45.

- 1 In the top-tab Claim, side-tab Master Data, mark the claim for closure by selecting the Close Claim check box (If this box is deselected later the claim will be reopened).
- 2 The definitive closure is performed during claim post-processing once the closing date has been set.

1 In the top-tab Claim side-tab Master Data, mark the Claim for closure by selecting the Close Claim check box (If this box is deselected later the Claim will be reopened).

2 The definitive closure is performed during Claim Post-Processing once the closing date has been set.



Post Processing

Once no further payment requests are expected, a claim can be closed. Accordingly, the claim clerk can manually designate the claim for closure. Alternatively, a claim can be automatically closed by a claim closure Scheduled Task on a given due date.



Effective claim closure is always finalized by means of a batch operation. Once the claim has been closed by the batch, the closing date is filled. Therefore having a closing date is the clear indication that the claim is closed. The check box itself serves only as a flag for closure for the batch.

There is also another trigger to close the claim which is via a scheduled task. A clerk can create this task manually and the claim will be closed in the batch at the due date of the task. The other concluding activities are annuity creation and/or recourse. In the case of periodic compensation, an annuity is created, e.g. to be paid out at a given frequency due to an accident. In the case of a reclaim, a recourse is created, whereby the initial or subsequent premium is not paid.

A claim can be closed but can have open annuities and recourses.



Knowledge Check

Please name ways how claims can be closed in ABS.

In the ABS Rich Client online via the checkbox "Close claim" or via a scheduled task "Automatic claim closure".



Definitions

Claim

Post Processing

Important Claim Post-Processing

Functionalities

Claim post-processing



i

In addition to the claim file, claim batches also perform a number of important functions, namely:



1. Claim closure
2. Processing of bookings
3. Adjustments to claims



Definitions

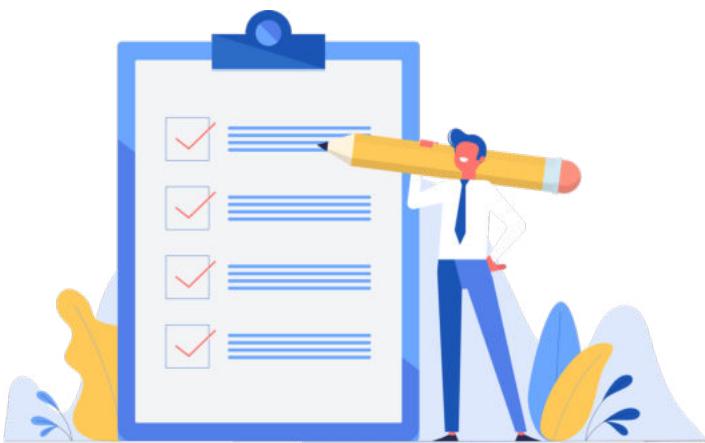
Claim

Claim Completion

Claim post-processing



Post-processing and the completion of claims is done by different batch services.



Actions here include processing of bookings, auditing claims, making corrections, doing functional or technical database processing, as well as approving claims for further processing.

The control logic for collection and disbursement is also located here, and further data processing for quality assurance also takes place here within the scope of the open file review.



Definitions

Open File Review

Annuity Payments and Analytics

Claim post-processing



i

This area is responsible for the calculation and payment of annuities. Among other tasks, inventories are read, the work lists for domestic and international transfers are created and annuity bookings are carried out.



- Annuities which are created by the claim handler manually in the ABS Rich Client are taken over by the corresponding batch services and the respective payments and calculations are done.
- Another important feature of claim post-processing is claim analyses and claim statistics. The creation of various analyses occurs on a periodic basis or upon request. An example for such a rule is the following: In the case of newly created claims with reserve increases greater than 75,000€, notifications are automatically generated. Indirect lightning claims are analyzed and reported. The reporting on claims occurs by means of complaint creation.

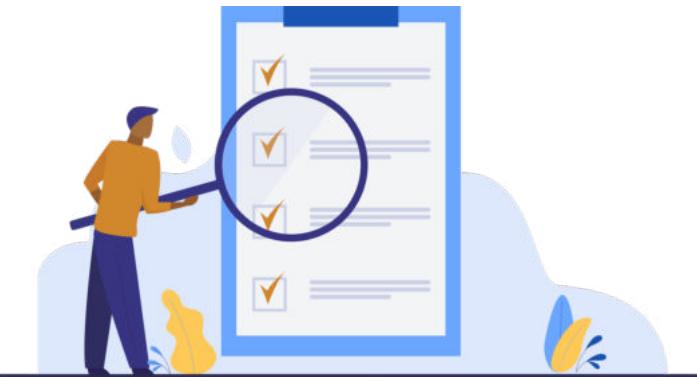
External Claim Interfaces

Claim post-processing



i

The area of third-party claim processing is responsible for the settlement of claims with external insurance companies. For example, lists and data carriers are created here.



Data for motor vehicle claim statistics are generated here and reported to the insurance association resulting in claim expenditure statistics.

The importing of data from external partners is possible in the claims area. Furthermore, the determination of expert costs for individual claims occurs here.

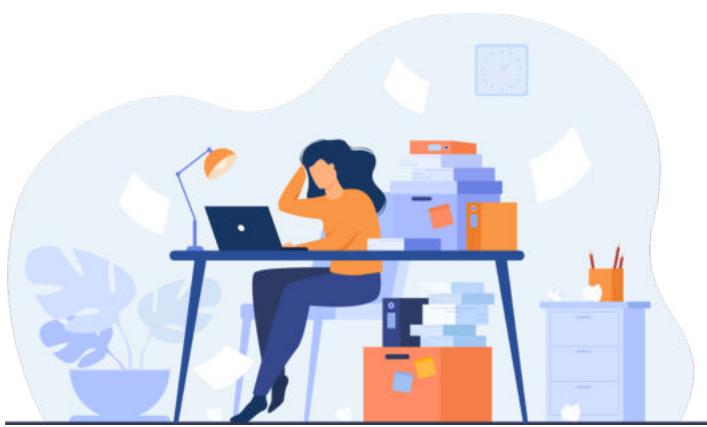
ABS Core offers out-of-the box interfaces to Allianz Group standards such as LC360, GloBi and SOLERA. They cover standard use cases for the insurance business and are integrated within the standard processes in ABS.

Periodic Claim Work and Claim Corrections

Claim post-processing



Periodic claim work (how often this happens can be configured individually by every ABS Core customer) is used for automatically scheduled claim tasks, whereby various such tasks are created.



Claim corrections are used for automatic claim routing, as well as the routing of indexed and/or incomplete claims.



Definitions

[Routing](#)

Reinsurance, Recourse and Split Agreements

Claim post-processing



i

Claim reinsurance settlement takes place in batch and claims assigned to cumulative loss events are settled.



Recourse processing is used for recourse invoicing, thus the invoicing of claim recourses and transfers are created here.

In the case of split agreements, an enquiry list of open split agreements is created, whereby they are automatically settled, and reverse recourses for split agreements are evaluated.



Knowledge Check

Please name functionalities which are carried out by batch in the claims post processing.

E.g. paying out the bookings of a claim, calculation the effective amounts, claims consistency check

Normalisation, Indexing and Segmentation

Quality management sub areas



i

To safeguard work efficiency and to investigate how good the operative claims processing actually is, the claims expenditure is analysed regularly.



Normalization

Covers exceptional expenditures caused by natural disasters or other large incidents (e.g. major accidents). This makes it possible to identify the impact of natural disasters.

Indexation

The general price increase of e.g. repair shops is dealt with through a repair index. This way a value adjusted comparison can be made.

Segmentation

Claims expenditures are viewed by different segments. E.g. by accident cause, person group or class, etc.

NIS is part of quality management after claims processing.

Quality Management During and After Claim Processing

Quality management sub areas



i

Quality management can be categorized into taking place during or after claims processing.

QM during claims processing:

- Systematic/Open file review (OFR)
- Stochastics

QM after claims processing:

- Closed file review (CFR)
- Claim data analysis
- Normalization, Indexation, Segmentation (NIS)



Knowledge Check

Please describe briefly all methods for quality assurance in claims.

- Systematic file review (OFR): performed by the team leader. Number of claims per employee are escalated to the team leader at certain points of times. The escalation points are at coverage/liability check, payment, closing, documentation and recourse)
- Closed file review (CFR): analysis of closed claims. A representative random sampling of closed claims is investigated by analysts from customer service to determine whether in each specific case the claim payment could have been lower through the application of defined improvement measures without impinging on the benefits to which the policy holder or claimant was entitled.
- Claim data analysis: normalization, indexing and segmentation: this is done ex-post and outside of ABS

What are the quality measures during claims processing?

OFR and stochastic

What are the quality measures after claims processing?

CFR, claim data analysis, normalization, indexation, segmentation (NIS)

Stochastic Escalation

Quality management sub areas



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Stochastic escalation

Using the randomness principle of stochastics, claims are directly escalated. This ensures high quality during and after processing and to secure good records for auditing. The quality assurance of payments during the processing by checking the claim amount can create process slips upon payment. The inspection is performed by the team leader.

66

Stochastic escalations are part of quality management during claims processing.

Number of escalated claims with respect to the claim amount

The table shows only example figures!

T	percent
~ < 1T	~ 2 percent
~ 1-3.6T	~ 5 percent
~ 3.6-7T	~ 10 percent
~ >7T	~ 33 percent

□

Definitions

Table

Systematic File Reviews

Quality management sub areas



i

A systematic file review (e.g. open file review) is a methodology, quality measurement and the foundation for a continuous improvement process, which includes feedback loops for employees. They are performed by the team leader.



ABS offers an integrated function for open file reviews. This can be configured according to the needs of the ABS customer.

Some properties are:

1. Open file review

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Systematic or OFR is part of the quality management during claims processing.



Open File Review

- Number of claims per employee per month has to be defined via configuration
- At different points in time, i.e. at defined process steps. The questions are split into four different question catalogues (OFR10 - OFR40), with which the four stages described are mapped.
- Claims escalated to the respective team leader for quality control
- Escalation points: coverage/liability check, payment, closing, documentation and recourse

- Processing quality is documented by answering a questionnaire
- The questions must be answered cumulatively (i.e. upon closing: documentation, coverage/liability, payment, closing). This means that the question catalogue OFR40 contains all the questions catalogues from OFR10-OFR40.
- The questions are shown in the claims file, top tab Claim, side tab SysFR



Definitions

[Open File Review](#)

[Escalation](#)

[Coverage](#)

Claim

Claim Data Analysis

Quality management sub areas



i

Claim data analysis is the identification of deviations from best practices in claim processing and the implementation of improvements via action plans.



This basically means having a task list to achieve the established goals. The claims data is taken from ABS as an input and the analysis is done out of ABS.

Claim data analysis is referring to quality management after claims processing.

Closed File Review

Quality management sub areas



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Quality assurance can also take place after payments. These are called **Closed File Review** or CFR.



Goal of data analysis identification

Goal of claim data analysis Identification of potential savings through reasonable claim payments and the development of improvement measures. The goal is not to measure the performance of the clerks in the claims department

Content

The effectiveness of the claims processing is evaluated based on the lost economic benefit

In a CFR, spot checks on closed claims are undertaken. Teams of analysts inspect the closed claims and determine any economic benefit or loss. The claims to be inspected is a random sample and the checks are conducted manually.

Procedure

A representative random sampling of closed claims is investigated by analysts from Customer Service to determine whether in each specific case the claim payment could have been lower through the application of defined improvement measures without impinging on the benefits to which the policy holder or claimant was entitled.

The closed file review is part of quality management after claims processing.



Definitions

Closed File Review

Types of Process Slips

Process slips and scheduled tasks



This section provides you with a detailed description of process slips and scheduled tasks beginning with the different types of Process slips available in ABS:

Different process slips examples:

- **Functional delegation process slip:** Primarily used as routing criteria; this ensures, for example, central processing in the responsible customer care center. The business object is allocated to an authorized clerk or to a specific team.
- **Technical process slip:** Used in batch for technical escalations, for example, if functional or technical data inconsistencies exist in business objects.
- **Other functional process slip:** process slip with a certain functional trigger, for example, fraud detection check or individual process slips that are manually created by the clerk and in which they enter the functional reason. This function is used, for example, if a clerk wants his or her team leader to perform a check before post-processing.
- **Booking process slip:** Is written at the time of creation of a booking for a business object, for example, if a claim clerk exceeds his payment limit.
- **Claim / Generic process slip:** It allows escalation due to this specific configuration instead of a functional business logic trigger. The claim process slip has a special function for generating generic process slips. With the definition of process slips for a claim business object, functional criteria like claim amount, claim class, loss type and loss cause are available. If these functional criteria are sufficient for creating escalation triggers, the trigger does not have to be implemented in the business logic.

It is possible to configure them in the organizational model. If, for example, in the class car liability with loss type collision with other vehicle and loss cause overtaking and an amount of more than 100,000 euros a business object is created, a generic process slip is written to the team leader.



Definitions

[Booking](#)

[Process Slip](#)

[Escalation](#)

[Business Object](#)

[Claim](#)

Process Slips in Contract and Claim

Business

Process slips and scheduled tasks



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Process slips are used differently in contract and claim.

In both cases the use of a process slip prevents this application from post-processing. In the following section one example for each is given:

!

Necessary information about the insured person or object is missing in the contract application and the system should not be allowed to process the application for a policy.

!

The compensation payment exceeds the clerk's payment limit and the systems should not be allowed to process the claim business object.

Scheduled Tasks in Contract and Claim

Business

Process slips and scheduled tasks



A scheduled task shows a workstep to be performed on a business object. Scheduled tasks are displayed in the functional object's file and in work lists.

They are defined in the defining data of ABS and can either be created automatically by the system, or manually by the user.

Triggers can be internal, e.g. functional or individual, or external like incoming documents.

The domain contract uses scheduled tasks. These tasks are always addressed to a specific role, whereas in the case of a claim a specific role can be set. In the following an example for scheduled tasks for contract and for claim is given.



A new coverage should be included, for example, fully comprehensive vehicle insurance. At the same time, a document targeting the same contract arrives requesting to cancel the vehicle's legal protection.

In this case, if a document is attached to the business object, a scheduled task is written to determine that an activity has to be processed on this particular business object. If the system used a process slip instead, the inclusion of the new coverage would not be processed. Based on the defined routing rules, the role (a bundle of rights) of the scheduled task is determined.



A document arrives for an existing claim business object which is being processed and for which compensation payments have already been created. This document is attached to the business object with the indication that an activity has to be processed for this particular business object without compensation payment or provision bookings to be performed.

In this case, a scheduled task is used to determine that an activity is to be performed. If the system used a process slip instead, the bookings would be prevented and therefore possible service level agreements with business partners would not be fulfilled. Subsequently, due dates for payments could not be maintained and the customer would have to wait longer for the compensation payment.



Definitions

[Contract](#)

[Table](#)

Process Slips versus Scheduled Tasks in Detail

Process slips and scheduled tasks



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Process slips and scheduled tasks are both instruments to control the flow of work orders and business objects. They are both indicators for an activity on a business object to be processed. They can be created manually or automatically by ABS.

Depending on the functional trigger, either a process slip or a scheduled task is attached to the business object.

A process slip is used if a business object should be prevented from post-processing, whereas a scheduled task can be post-processed.

Both, the process slip and the scheduled task, have a certain priority which has an influence on sorting the work orders in the work lists. This priority also defines whether a process slip is routing-relevant.

- The status of a process slip can be open, approved or declined, whereas the status of a scheduled task can be completed or not completed.
- The status defines the processing step of a business object activity. The sum of all activities to be processed is a workstep.
- A process slip can be approved or declined manually by an authorized clerk or automatically by ABS.
- A scheduled task can also be completed manually or automatically.

A process slip always has a unique role, which is authorized to approve it, whereas the scheduled task can have an execution role, which is authorized to complete it.

An ABS user has to be in the role or substitute role to be able to approve the process slip. If a scheduled task has an execution role, which can be the case in claim business objects, the task can be completed by any clerk, who has edit rights for this particular business object.

Process Slip	Scheduled Task
"TODO" on a business object	"TODO" on a business object
Created manually or automatically	Created manually or automatically
Prevents business object post-processing	Allows business object post-processing
Different categories: Functional delegation process slips; Booking process slips; Technical process slips, Other functional process slips	No categories
Priority	Priority
States: open / approved / declined	States: completed / not completed
Always has authorization role to be accepted	Can have execution role to be completed

Authorization only by this role / substitute

Completion either by execution role / substitute or any clerk responsible for business object

To be handled immediately (there is no due date)

Has a due date

Two-Stage Routing - Detailed Description

Two-Stage Routing - Detailed Description



i

ABS offers a two-stage routing process. Each stage comprises of a core routing part and a customer routing part.

The ABS Core routing is always triggered and every routing starts with ABS Core routing stage one.

The ABS Core routing uses all existing attributes within the corresponding routing rules tables. The content of the rules (for which functional usecase the object must be routed to which target) must be defined by the ABS Core customer!

Via the customer specific part additional routing relevant attributes can be defined and used to specify routing rules.

- The final routing result is always a specific clerk or team. If the routing result of stage one is a skill group, stage two is triggered. Also stage two always starts with the ABS Core routing.
- Routing trigger can be a scheduled task (for contract) or a process slip (for claim). The routing object is either a document or the respective business object for a contract, claim or party.

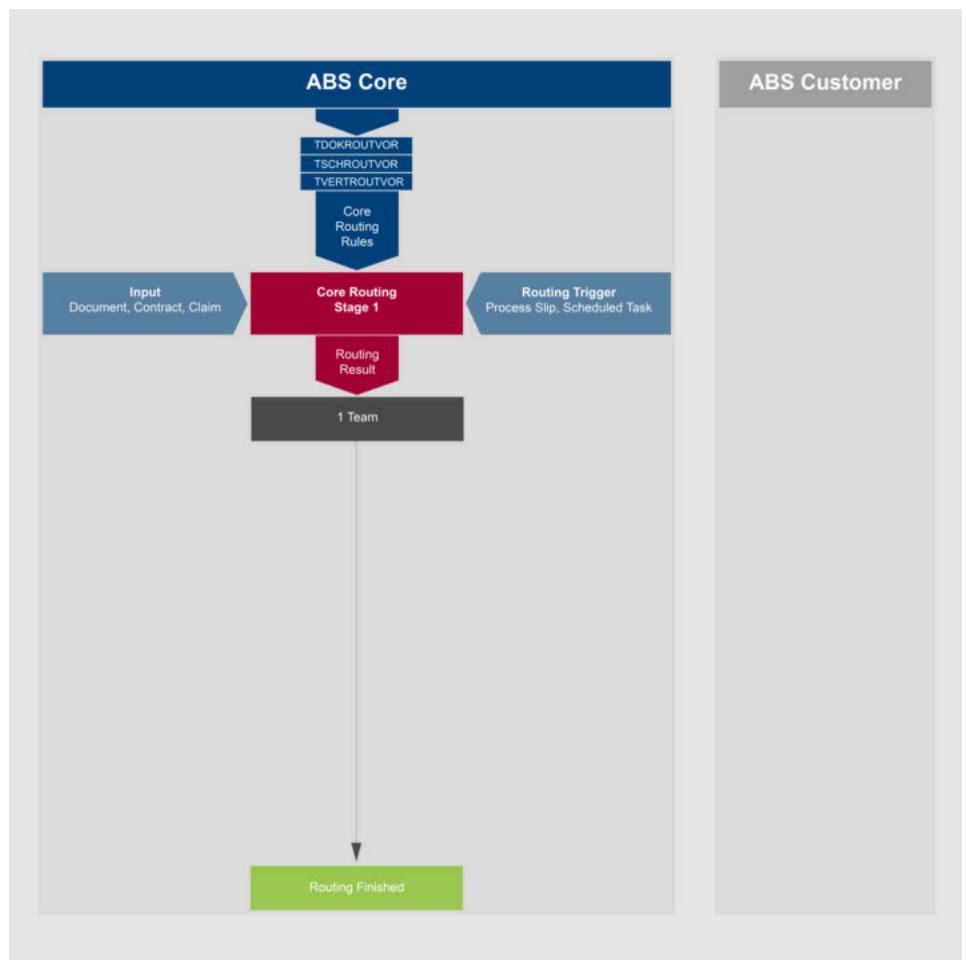
Skill Groups

Routing rules are documented in:

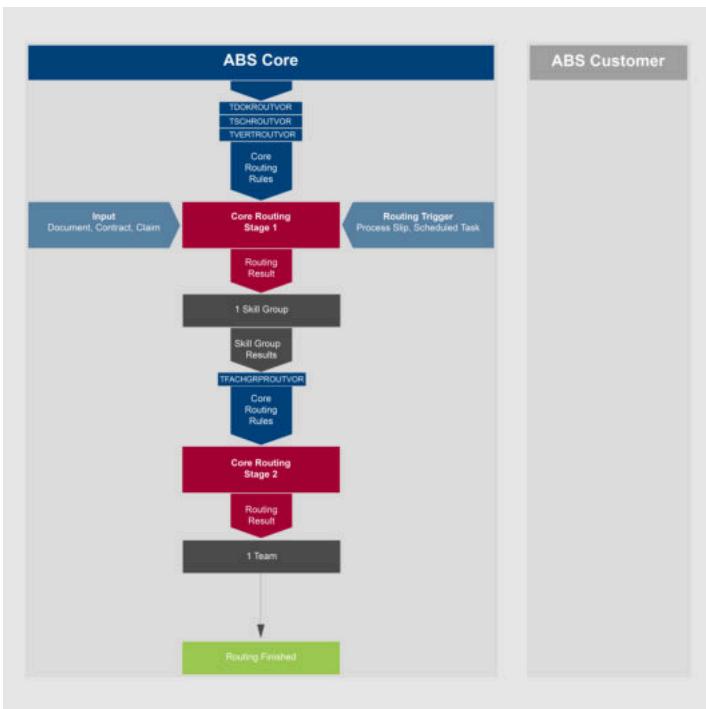
- TDOKROUTVOR (for documents), TSCHROUTVOR (for claim), TVERTROUTVOR (for contract) and TPERSROUTRULE (for party) in ABS Core stage one.
- Customers can detail these routing rules via TDOKROUTDET (for documents), TSCHROUTDET (for claim), TVERTROUTDET (for contract) and TPERSROUTDET (for party).

Within stage two, the ABS skill group routing, TFACHGRPROUTVOR is the table used for Core routing rules. ABS Customers can detail their routing rules in TFACHGRPROUTDET.

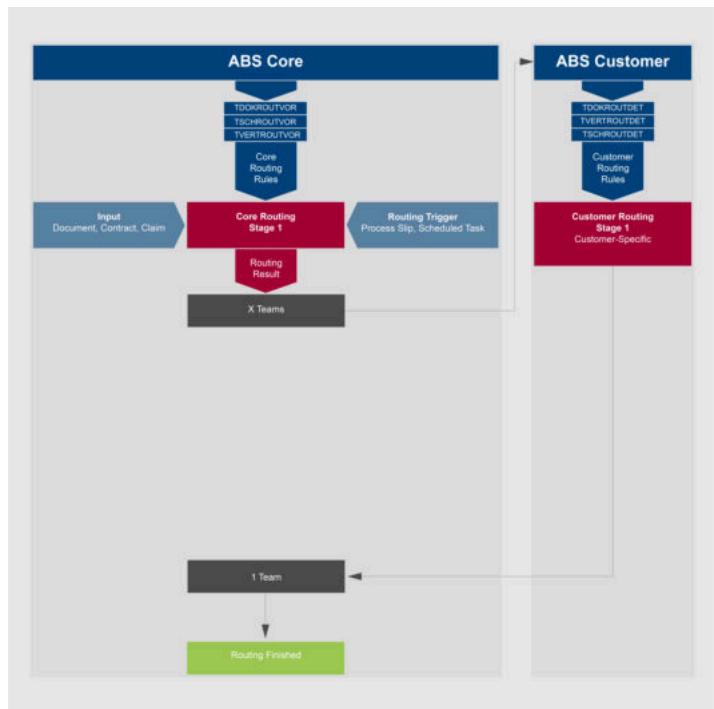
The following slider shows the two stage routing process. Click to explore the different scenarios.



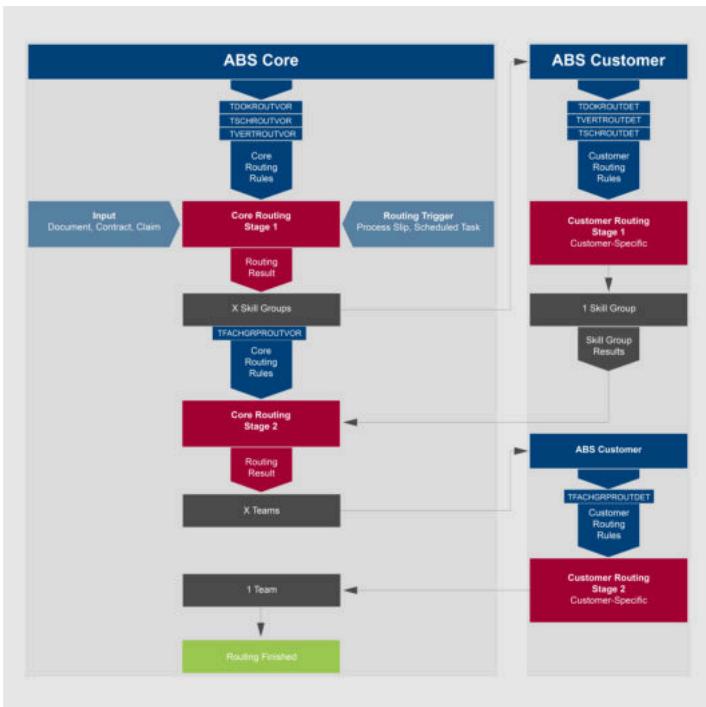
Stage1: Core Routing



Stage2: Core Routing



Stage1: Customer Routing



Stage2: Customer Routing



Recap Two-Stage Routing

- **Step 1 ABS Core routing:** Identifies either exactly one or several teams or skill groups
- **Step 1 ABS Customer routing:** Applies only if several teams or skill groups are identified. It identifies either exactly one team or skill group.
- **Step 2 ABS Core routing:** Applies only if one skill group is identified. It identifies either exactly one or several responsible teams.
- **Step 2 ABS Customer routing:** Applies only if Step 2 ABS Core routing results in several responsible teams. It identifies exactly one responsible team.



Definitions

[Routing in ABS](#)

Document Routing

Two-stage routing - Detailed description



i

Let us begin with an example:



Conrad Smith reports a claim: He caused a rear-end collision. He completes a form which he got from his agent, puts it in an envelope and sends it to Allianz via mail. The document is scanned, indexed, categorized and routed to the responsible team or clerk. In this case the routing criteria is: queue – new claim vehicle, sub-queue: claim simple.

Document routing transfers the claim notification to the corresponding team for further processing.

Document routing is performed in two stages, i.e. the ABS Core stage and the customer-specific stage:

- **Stage 1:** ABS Core stage one routing determines that, for example, the skill group "Documents claim" is responsible. Therefore stage two routing has to be triggered.
- **Stage 2:** routing determines that the specific team "Documents claim vehicle 1" is responsible

The clerk in the team "Documents claim vehicle 1" processes the document, creates a new claim and attaches the document to the claim.

You can define the routing information in the organizational model application of the ABS Configuration Suite. The entities document routing Rule (TDOKROUTVOR) and document routing detail (TDOKROUTDET) in the organizational model application of the ABS Configuration Suite are used to configure document routing and define the routing criteria like queues and sub-queues.

The document routing detail entity is generic, which means that it has the advantage that new routing criteria can be added to the system without changing the database structure.

Skill group routing (Stage 2) can be configured in the entities skill group routing rule (TFACHGRPROUTVOR), where the skill group and service region are defined, and skill group routing detail, which is generic.

All new incoming documents which are indexed are routed after they have been categorized and assigned to a queue and a sub-queue.

The ABS Rich Client and a central batch module are responsible for the interpretation of configured routing rules.



A routed document is available in the document worklist of the responsible team if no corresponding claim or contract is available. A workstep associated with the processing of documents is completed when a document is attached to a new or existing business object.



There are various input criteria for document routing:

- Queue: Category set during indexing, e.g., contract non-life or claim creation
- Sub-queue: e.g. Vehicle, commercial or private
- Document channel: e.g. Broker
- Document medium: e.g. Paper, email, Text message, Fax
- Employee flag: labels a document as an employee Document, e.g., employee contract or pension fund provision



A scanned paper document for a claim creation should be routed to the team "claim first response vehicle". You need to configure a document routing rule in the organizational model application of the ABS Configuration Suite. For this purpose, you must define the

- **Queue:** claim creation
- **Sub-queue:** claim vehicle
- **Document medium:** scanned paper mail
- **Routing result:** claim first response vehicle



Definitions

[ABS Configuration Suite](#)

Claim Routing

Two-stage routing - Detailed description



i

In our example,



Conrad Smith makes a phone call to report a car accident, which he caused. He collided with the company car of Acme Inc. on the motorway. The call is received in the Allianz call center. Subsequently, a new vehicle claim, associated with the master contract of Acme Inc. is created by the corresponding clerk. The new claim is routed for further processing.

Claim routing is also performed in two stages. In both stages, you have an ABS Core part and ABS Customer-specific part:

ABS claim routing stage 1 passes through the ABS Core part, determining the routing result and the possible skill groups (claim vehicle simple or claim Vehicle complex). The ABS Customer part determines the routing result and returns the skill group claim vehicle complex based on the recognized non-standard contract (in this case the master contract of Acme Inc.)

In stage 2, ABS claim routing starts with the ABS Core part, which returns the teams claim vehicle complex one and claim vehicle complex two based on the skill group and the service region that derives from the agent number. The ABS customer part returns the team claim vehicle complex one based on the policy holder name where the claim will be processed.

Customer-specific routing in stage 2 can also select a team from ABS Core routing results based on the workload distribution.

Claim routing is always executed after a claim has been saved. As opposed to contracts, the processing frequency of a claim business object is generally higher than a contract business object and therefore the responsibility for a claim business object is re-determined regardless of whether a workstep on this particular business object has to be processed.

You can define the routing information in the organizational model application of the ABS Configuration Suite. The following defining data entities are available for this purpose: claim routing rule and claim routing detail. In these entities, you can define the claim class, the claim category, the claim priority, etc. ABS claim routing uses process slips instead of scheduled tasks. The entity claim routing detail is generic, which means that new routing criteria can be added to the system without changing the database structure.

The routing rules are interpreted in the ABS Rich Client and also in a central batch module.

If a claim is routed, the responsibility is set and if a workstep is to be carried out, the claim is available in the responsible team's claim worklist. A workstep is completed when all activities on a particular claim business object are completed.



A characteristic of claim routing in ABS is via **functional delegation process slips**:

They are a trigger for responsibility change, for example, for transferring the claim business object from the sales team to the customer care center or from the first level to the second level for processing. The routing relevance of these process slips is controlled by their assigned priority, in association with the claim category, the current team or clerk and the routing criteria, to determine the responsible team. The current team is then replaced by the newly determined team.

Claims must always be assigned a responsibility. The responsibility for the entire claim business object is a database attribute on the business object. In general, ABS claim routing determines the responsibility for the entire claim business object.

Furthermore, a responsibility for a certain work step can be temporarily allocated, which is a special attribute on a claim business object and which occurs during peak times. The responsibility for the entire business object, however, remains with the original team. Temporary allocation of work steps is automatically removed by ABS after this particular step has been completed. If personalized processing is set, follow-up actions on the claim business object are directly routed to the responsible clerk.



Functional Criteria for claim routing in ABS

- **Main Class:** e.g. vehicle bundle
- **Class:** e.g. comprehensive collision insurance
- **Loss type and loss cause:** e.g. collision with other vehicle, overtaking
- **Claim category:** e.g. simple claim, complex claim
- **Claim priority:** e.g. nominated processing
- **Claim class group:** combination of claim class, loss type and loss cause, e.g., claim non-life
- **Sales area**

The claim routing rules for ABS claim routing are defined and configured in the defining data area of the company-wide data model and consist of the following elements:

1. Functional criteria
2. Routing result
3. Definition of a claim process slip



All claims with claim class group set to "non-life", class-own set to "storm", claim category set to "complex" and a claim amount greater than 5,000 € and a process slip with a priority between 200 and 299 are to be routed to the team claim non-life two.

For this purpose, a claim routing rule and a claim process slip have to be defined in the corresponding entities of the organizational model application in the ABS Configuration Suite.

The generic process slip is used and therefore no change in the business logic is required. You can define the generic process slip in the entities escalation and escalation criteria claim.

The escalation reason is set to business object for claim non-life two (two stands for second level). The "from role" is set to asterisk, which means all roles. A role in this case can be a bundle of authorizations and user rights. "to role" is set to the role of the claim clerk second level and the priority is set to 201.

Subsequently, the process slip for this claim is written and routing is executed to the responsible team, which is in this case claim non-life two. The claim is displayed in the worklist of this team. If this process slip did not exist, the responsibility would still be set to claim non-life two, but the worklist would not contain this business object and therefore the team would not be informed of their responsibility for the business object. It is, however, necessary to assign certain business objects to clerks with specialized know-how.



Definitions

Claim

Main Class

Functional Delegation Process Slips

Claim Routing Demonstration

Two-stage routing - Detailed description



i Claim routing demonstration

ABS ABS Configuration Suite

Extras Help

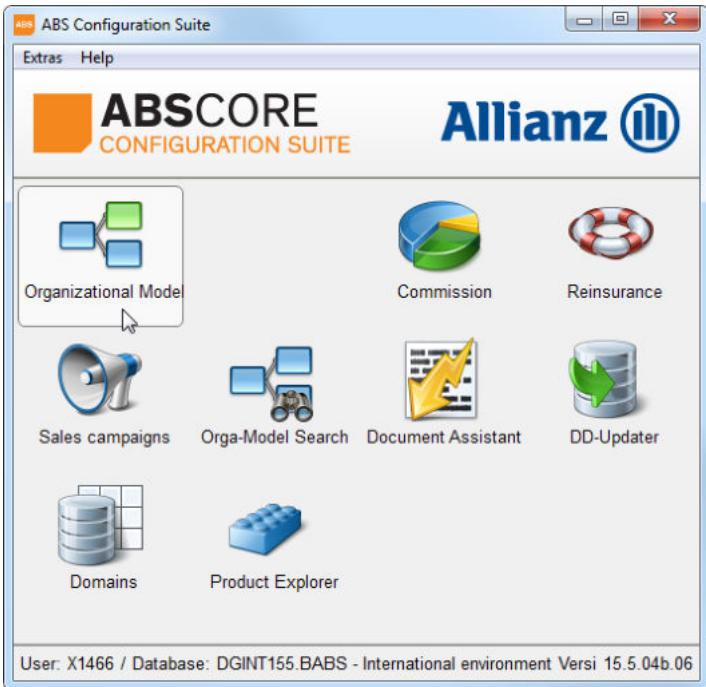
Allianz

Frau Expertin
A4443

ORGANIZATIONAL MODEL	CLAIM CONFIGURATION	COMMISSION	REINSURANCE
SALES CAMPAIGNS	ORGA-MODEL SEARCH	DOCUMENT ASSISTANT	DD-UPDATER
DOMAINS	PRODUCT EXPLORER	REPORTING ADMINISTRATION	

DGINT160.BABS - International environment V 16.0.05a.08 / 16.0.05a.08

This screenshot shows the ABS Configuration Suite interface for Allianz. At the top, there's a navigation bar with 'Extras' and 'Help' tabs. The main header features the Allianz logo and a user profile for 'Frau Expertin A4443'. Below the header is a 3x4 grid of icons representing different system modules. The first row contains 'ORGANIZATIONAL MODEL', 'CLAIM CONFIGURATION', 'COMMISSION', and 'REINSURANCE'. The second row contains 'SALES CAMPAIGNS', 'ORGA-MODEL SEARCH', 'DOCUMENT ASSISTANT', and 'DD-UPDATER'. The third row contains 'DOMAINS', 'PRODUCT EXPLORER', 'REPORTING ADMINISTRATION', and an empty space. At the bottom of the window, there's a status bar with the text 'DGINT160.BABS - International environment' and a version number 'V 16.0.05a.08 / 16.0.05a.08'.



Click organization to open the organizational model application in the ABS Configuration Suite.

Claims Routing								Escalation
Sorting	DB environment	Skill group	Target team	Target class	CL. group	Company	Comr	C Routing
645	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	C Routing
650	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	C/S Routing
655	E WAG	-	-	XXXX	Claim vehicle	-	KFZ 5	Task sched.
660	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	D Routing
665	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	E Routing
670	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
675	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
680	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
685	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
690	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
695	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
700	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
705	E WAG	-	-	XXXX	Claim vehicle	-	KFZ 1	
710	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
715	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	
720	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
725	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
730	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
900	E WAG	TCCC	-	-	Claim vehicle	Allianz Lande	KFZ 1	
800	E WAG	TCCC	-	-	Claim vehicle	-	Allianz Lande	

Move to the top-tab Workflow and side-tab Escalation. Click Cancel in the filter pop-up of this page and move to the side-tab C/S Routing.

Claims Routing								Escalation
Sorting	DB environment	Skill group	Target team	Target class	CL. group	Company	Comr	C Routing
645	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	C Routing
650	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	C/S Routing
655	E WAG	-	-	XXXX	Claim vehicle	-	KFZ 5	Task sched.
660	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	D Routing
665	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	E Routing
670	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
675	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
680	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
685	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
690	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
695	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
700	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
705	E WAG	-	-	XXXX	Claim vehicle	-	KFZ 1	
710	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
715	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 5	
720	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
725	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
730	E WAG	TCCC	-	-	Claim vehicle	-	KFZ 1	
900	E WAG	TCCC	-	-	Claim vehicle	Allianz Lande	KFZ 1	
800	E WAG	TCCC	-	-	Claim vehicle	-	Allianz Lande	

Click Change mode to leave the read only mode and to edit the data. Click Add to create a new claim routing entry. If you enter the sorting number, e.g. 800, you can select the target team, e.g. claim vehicle 1. Then you can select the claim class group, e.g. claim vehicle. Click Save to save your changes and Ok if you enter a new claim.

Amendment reason

Please enter a description of the changes

Entry of new Claim Routing Rule for 800, Claim Vehicle 1, Claim vehicle

OK Cancel

Document your changes made in the workflow routing rules.

If you move in ABS Core to the top-tab Claim and side-tab Overview, the field Responsibility shows the responsible team and the user (if available) after a routing process.



Organization Model

Escalation

Contract Routing

Two-stage routing - Detailed description



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Routing also takes place in two stages and both stages are divided into ABS Core and ABS Customer parts:

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Conrad Smith wants to add fully comprehensive insurance to his vehicle. An amendment to his existing vehicle insurance contract is made, which needs to be approved by the clerk and is therefore routed to the responsible clerk.

Stage 1: the possible skill groups are contract vehicle simple and contract vehicle complex. The ABS customer part determines the routing result and returns the skill group contract vehicle complex.

Contract routing is the automatic determination of the responsibility for a contract business object on which a workstep is to be processed. Contract routing uses scheduled tasks as routing criteria, which ensures that associated business objects with the same policy number are always processed within the same teams.

Stage 2: this stage determines the team contract vehicle complex 1 and contract vehicle complex 2 based on the skill group and the service region. The ABS customer part determines the specific team on the basis of the workload.

Contract routing is performed each time after a contract business object has been saved. It is also used for batch processing before filling the corresponding worklist. After completing a specific workstep, the responsibility is automatically removed by ABS. As the life cycle of a contract business object is relatively long compared to other business objects, it does not make sense to assign a permanent responsibility. The responsibility for a contract business object is calculated as soon as a workstep occurs and needs to be processed.

You can define routing information in the tables contract routing rules (TVERTROUTVOR) and contract routing details (TVERTROUTDET) of the organizational model application of the ABS Configuration Suite. Contract routing detail is a generic entity that can be added to the system without changing the database structure. Routing information includes, for example, the main class, the main class own, the escalation reason, etc. The corresponding scheduled tasks can be maintained in the entity scheduled task Usage. In this entity, you can define the scheduled tasks which are to be routed and how a scheduled task is to be used.

The central batch module is responsible for the interpretation of configured routing rules and is referred to as the single point of reference.

If a contract is routed, its responsibility is set and the worksteps to be completed are displayed in the contract worklist of the responsible team. A workstep is completed if all activities of a particular contract business object that the actual clerk is allowed to complete, for example process slips, scheduled tasks or documents, are completed.

As ABS automatically removes the responsibility for the contract after completion of the last workstep, the contract is not assigned any responsibility as opposed to claims, which are always allocated a responsibility.

Configuration of ABS contract routing should always allow the determination of a backup for the responsibility.

Input criteria for contract routing are:

- Scheduled task activity and role in charge of scheduled task.
e.g. contract life – process closure
- Escalation reason and role of process slip
- Main class and main class group
e.g. main class: Life and main class group: Life contract
- Reason for amendment
- Document medium
- Sales channel

The main task of stage 1 of ABS routing is to identify the responsible team or skill group based on functional criteria. You can maintain ABS Core routing rules and the ABS customer-specific routing rules in entities and database tables of the organizational model application of the ABS Configuration Suite. For contract routing, ABS provides the entities contract routing rule and contract routing detail. Contract routing detail is a generic entity that can be added to the system without changing the database structure.

The main task of stage 2 of ABS routing (skill group routing) is to identify the responsible team or skill group based on organizational rules like workload-based routing.



You can define skill group routing in the entities skill group routing rule and skill group routing detail.



Definitions

Contract

Role

Party Routing

Two-stage routing - Detailed description



Similar to the other routing types, the party routing is also performed in two stages, with additional customer-specific parts.

Party routing is performed during the saving routine of a party record as soon as there is an **uncompleted** routing-relevant scheduled task.



- The routing is performed by batch and can be triggered via a stored-procedure from different platforms. The only relevant functional attribute for the routing is the scheduled activity of the scheduled task. Similar to the contract routing, process slips can also be routed by using a GEMMA scheduled task which is automatically generated by the business logic
- In the context of a person there are no worksteps available, after completing a scheduled task the routing is determining a new target team according to the routing rules.
- Via the party worklist, all person records with open scheduled tasks are displayed and can be filtered via different criteria.

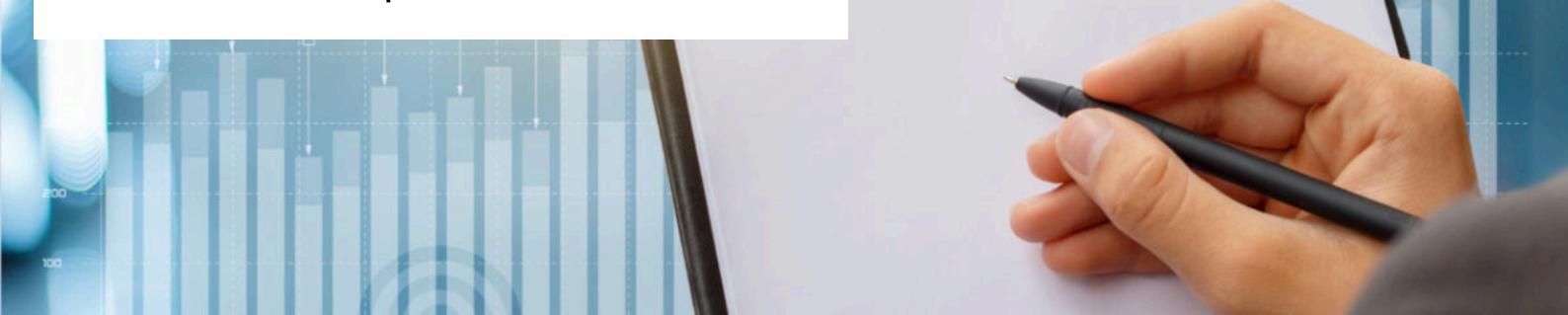


Definitions

GEMMA

General Information on Worklists

Work lists - Detailed description



A **Work List** is a collection of all work allocations. It contains routed business objects and documents.



All routed business objects and documents on which activities have to be processed are displayed in ABS in worklists.

Overview

Activities to be processed are made available either for individual employees or for entire teams in designated lists. They can either be connected to the host or to a local database.

Depending on the type of a business object, for example a claim business object or a contract business object, the business object or document is displayed in the corresponding worklist. A worklist is a central application for all roles to control and display the to-do lists for the processing of a business object.

Each activity generates an entry in the performance table. If there is more than one entry in the performance table for the same business object, these entries are compressed into a single entry for the business object in the worklist.

If an activity is completed on a certain business object, the activity is labeled as completed in the performance table. As soon as all activities associated with a given business object are completed, the business object is no longer displayed in the worklist.



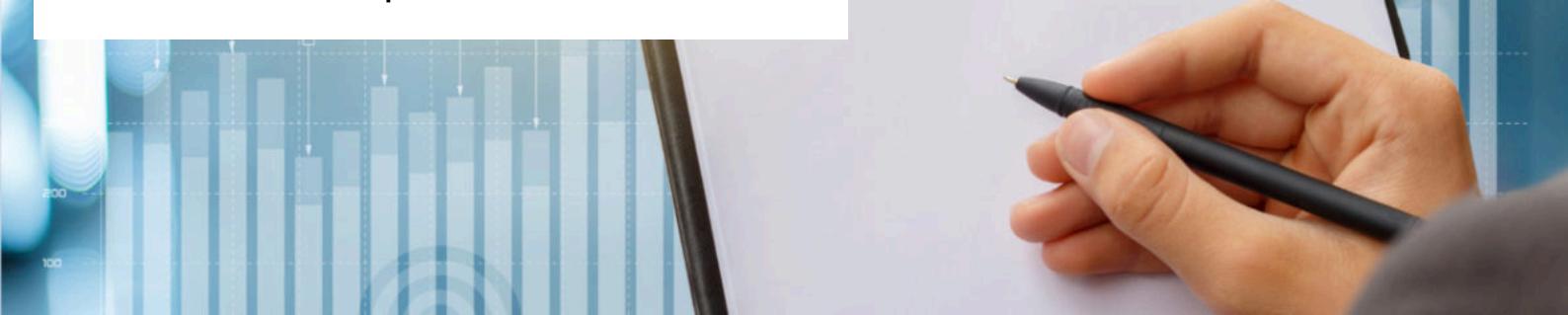
Definitions

[Table](#)

[Work Lists](#)

Document Work List

Work lists - Detailed description



Let us see an example:



Conrad Smith reports a claim: He caused a rear end collision on the motorway. He completes a form, puts the document into an envelope and puts it into the post box. Allianz receives the claim notification form. The document is scanned, viewed, indexed and categorized either by the system if the optical character recognition (OCR) or the intelligent character recognition (ICR) are used, or manually by a clerk.

The document is routed and displayed in the worklist of the responsible team. A clerk in the team processes the document and creates a new claim business objects with the attached document.

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The documents in the worklist are scanned paper mail and electronic documents like email or fax.

The worklist contains:

- Documents that have not been allocated to a business object
- Documents without an existing business object
- Documents which cannot be assigned

The document worklist is used for processing incoming documents, for the allocation of documents to an employee for processing and for processing abandoned documents. Abandoned documents are documents which have not been attached to a business object. You can also view, delete or attach a document to a business object as well as perform a search or open a party, claim or contract business object.

There are two different views in the document worklist:

- Team leader view: the team leaders filter documents to be processed by the team and allocate them. They use the following criteria: queue or sub-queue, broker documents, document type, creation date.
- Clerk search view: the clerks search for "my documents to be processed" and all documents that are allocated to the specific user are displayed. The clerks can also pick new documents from the team view.

The performance table "Archiving Index" (TARCHIVINDEX) in the enterprise data model contains the data for the document work list. A batch job imports the documents to be processed into this entity for the next business day. This table, however, only stores references to the archive system, but not the actual documents.

Further Reading

[Output Management](#)



Definitions

[Company Wide Data Model](#)

[Claim](#)

Document Work List Search Demonstration

Work lists - Detailed description



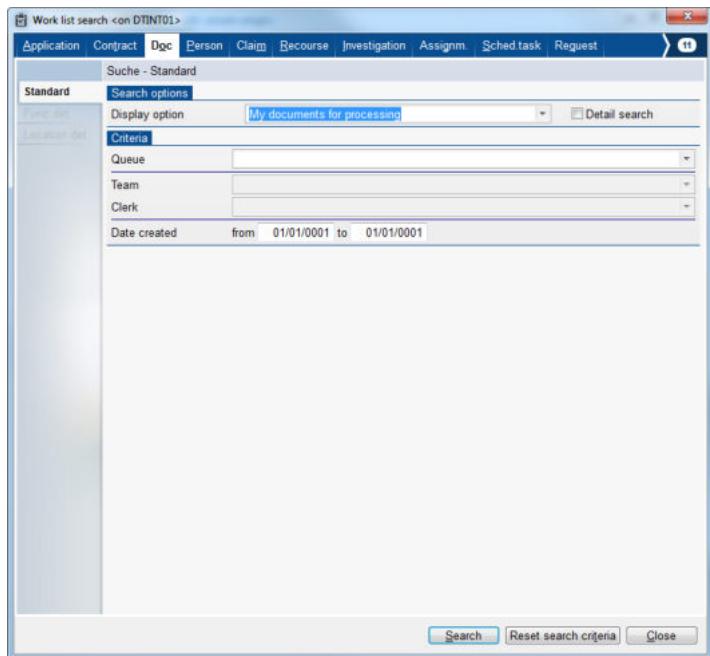
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Document Work List Search Demonstration

Check out the slider to know more.

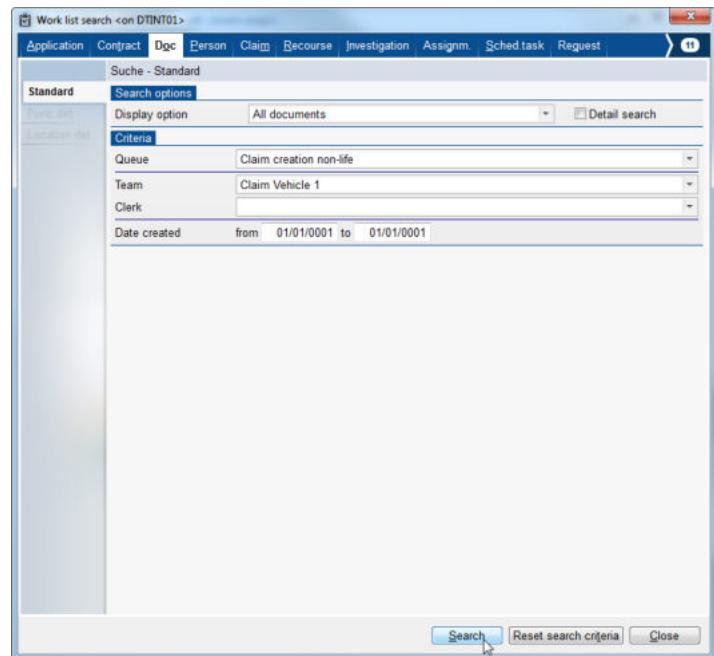
The screenshot shows the main menu of the ABS-Core TEST application. On the left, there is a navigation grid with icons for Customer Care, Search, InfoPoint, Work List, Person, Contract, Claim, Production Control, and More. The 'WORK LIST' tile is highlighted with a dashed border. To the right of the grid, the main area displays the Allianz logo, a welcome message 'Welcome!', and a photo of a woman and a child. Below this, there are tabs for News, Statistics, and File History. A news item about the 'Aureus style available' is shown, dated 10/26/2015. At the bottom, there is a footer with the ABScore logo, system information (DTINT01), and a lightbulb icon.

Click the Work List tile to open the Work List file.



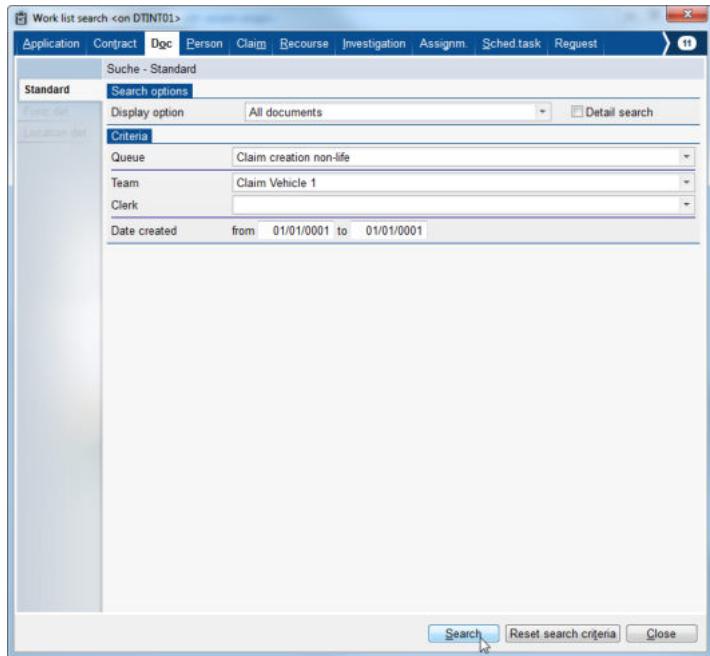
Here you can click the top tab Document to move it to the Document Work List.

Note that the user can usually only see the Work Lists which he is authorized to use.



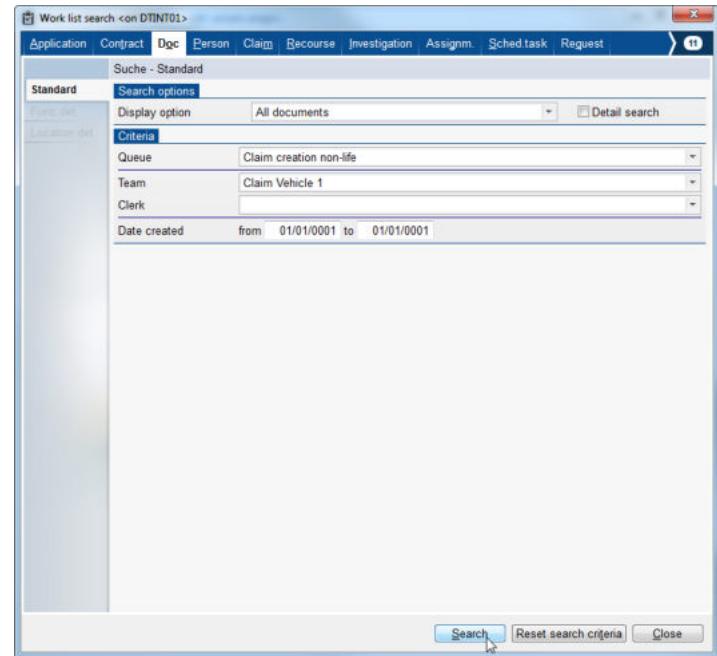
The Document search screens provide two options:

- 1. Standard search:** entry of the most important search and filter criteria



Click the drop-down list box Display option in the block Search options to view:

- All Documents that correspond to the search criteria and that have not been indexed or completed yet
- My Documents to be processed to view all Documents allocated to the current user
- Team Documents to be processed to view all Documents allocated to the team of the current user



In the Criteria block, you can select from the following filter criteria:

- Queue: e.g. Claim creation non-life
- Team: e.g. Claim first response team
- Clerk: all employees with change rights for Documents available in the drop-down list box
- From date/To date: date of the electronic entry when the Document was received

Fields of the search form are usually filled with data of the current user.

This screenshot shows the 'Work list search <on DTINT01>' dialog. The 'Func.det.' tab is selected. In the 'Criteria' section, the 'Queue' dropdown is set to 'Claim creation non-life'. Below it, the 'Sub queue' dropdown is empty. Other visible fields include 'Sched.activity' (empty), 'Employee flag' (empty), 'Document type' (set to 'Claim document Health'), 'Inbound channel' (set to 'Broker'), 'Document language' (set to 'English'), 'Medium' (set to 'Scanned mail'), and 'Date created' (from '01/01/0001' to '01/01/0001'). At the bottom are 'Search', 'Reset search criteria', and 'Close' buttons.

2. Detail search: additional entries for functional and location criteria

Click the check box Detail search in the block labeled with Criteria to provide detailed search and filter criteria for functional characteristics of Documents

In addition, you have detailed search and filter criteria associated with the location detail

This screenshot shows the 'Work list search <on DTINT01>' dialog. The 'Standard' tab is selected. In the 'Criteria' section, the 'Queue' dropdown is set to 'Claim creation non-life', 'Team' is set to 'Claim Vehicle 1', and 'Clerk' is empty. Below these, 'Date created' is set from '01/01/0001' to '01/01/0001'. At the bottom are 'Search', 'Reset search criteria', and 'Close' buttons.

Click Search to view the Documents to be processed according to the inserted search criteria.

The following information is displayed: Language of the Document, Queue and Sub-queue, Work List since date, Document medium, Allocation to team, Team receipt date, Indexing.

This screenshot shows the 'Work list search <on DTINT01>' dialog. The 'Location det.' tab is selected. In the 'Criteria' section, the 'Region' dropdown is empty. Below it, 'Functional skill' is empty, 'Location' is set to 'Headquarters', 'Team' is set to 'Claim Major loss', and 'Clerk' is empty. At the bottom are 'Search', 'Reset search criteria', and 'Close' buttons.

Furthermore, also the location details can be used to filter the work list.

At the bottom of the search result page ABS displays the function panel. There the user has the possibility to e.g. open search screen, show and change properties of the document, allocate and return the document or search and attach the document to an existing business object.

Envelope No.	Queue/Subqueue	Date created	Work list since	Medium
	Claim creation non-life	06/28/2012 03:50	06/29/2012 07:15	Mail/Fax
	Claim creation non-life	06/28/2012 01:02	06/29/2012 06:27	Scanne...
	Claim creation non-life	06/28/2012 01:02	06/29/2012 06:27	Scanne...
	Claim creation non-life	06/28/2012 01:02	06/29/2012 06:27	Scanne...
	Claim creation non-life	06/28/2012 01:02	06/29/2012 06:27	Scanne...
	Claim creation non-life	06/28/2012 01:02	06/29/2012 06:27	Scanne...
	Claim creation non-life	09/15/2014 03:03	09/14/2014 06:33	Mail/Fax
	Claim creation non-life	06/28/2012 03:52	06/29/2012 06:34	Mail/Fax !
	Claim creation non-life	06/28/2012 03:08	06/29/2012 06:41	Mail/Fax
	Claim creation non-life	06/28/2012 03:08	06/29/2012 06:41	Mail/Fax
	Claim creation non-life	06/28/2012 03:09	06/29/2012 06:41	Mail/Fax
	Claim creation non-life	06/28/2012 04:13	06/29/2012 06:41	Mail/Fax !
	Claim creation non-life	06/28/2012 04:46	06/29/2012 06:43	Mail/Fax !
	Claim creation non-life	06/28/2012 04:46	06/29/2012 06:43	Mail/Fax !
443	Claim creation non-life	09/15/2014 04:55	06/29/2012 06:46	Mail/Fax !
	Claim creation non-life	06/28/2012 03:14	06/29/2012 06:48	Mail/Fax
	Claim creation non-life	06/28/2012 03:14	06/29/2012 06:48	Mail/Fax

1/271 Env. 1/7

Search... Show Change Remove Responsibility Allocate Return
Person... Contract Claim... Mass event claim Bookmark doc. Envelope-ID-Bracket
Clerk Indexed by Doc.history Comment... Note E-Mail Refresh

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16.0.05a.10

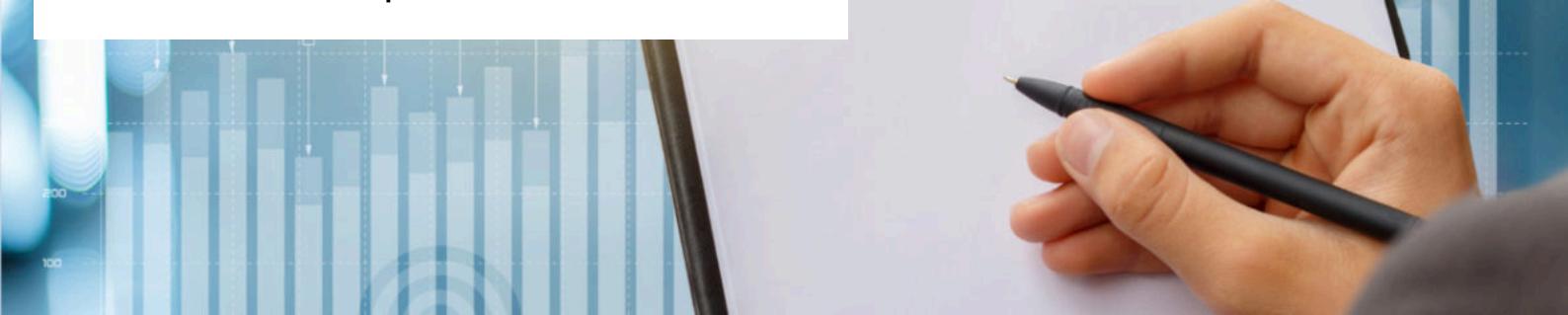


Definitions

Location

Claim Work List

Work lists - Detailed description



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The claim worklist is a list of all claim cases with activities to be processed.

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For example, the Mercedes repair shop of Mr. Brown sends an invoice to Allianz after repairing his car. The invoice of 500 € for the car repair has to be paid out. Allianz receives the invoice document and attaches it to the claim business objects of Conrad Smith. The claim case with the document and a scheduled task "Invoice" is displayed in the claim worklist for further processing.

The content of the claim worklist are claim business objects with specific work assignments, such as process slips, scheduled tasks or documents. It displays basic details of claim business objects and provides a team worklist view and an employee worklist view in order to enable processing through a clerk or a team leader. The business objects can also be allocated by the team leader. The allocation can be personalized or temporary. The clerk can return the allocation and the entire business objects to the team worklist by entering a reason for the return. The team leader can retract the allocation; in this case he does not have to give a reason for retracting it.

There is a difference between the team leader search and the clerk search:

- **Team leader search:** filtered by team claims to be processed and allocated to his team. The team leader uses the following optional filter criteria: claim priority, service priority, sales channel, escalation reason, scheduled task
- **Clerk search:** the employee or clerk searches for 'My claims to be processed' which results in a view of all claim cases allocated to the current user.

Claim Work List Search Demonstration

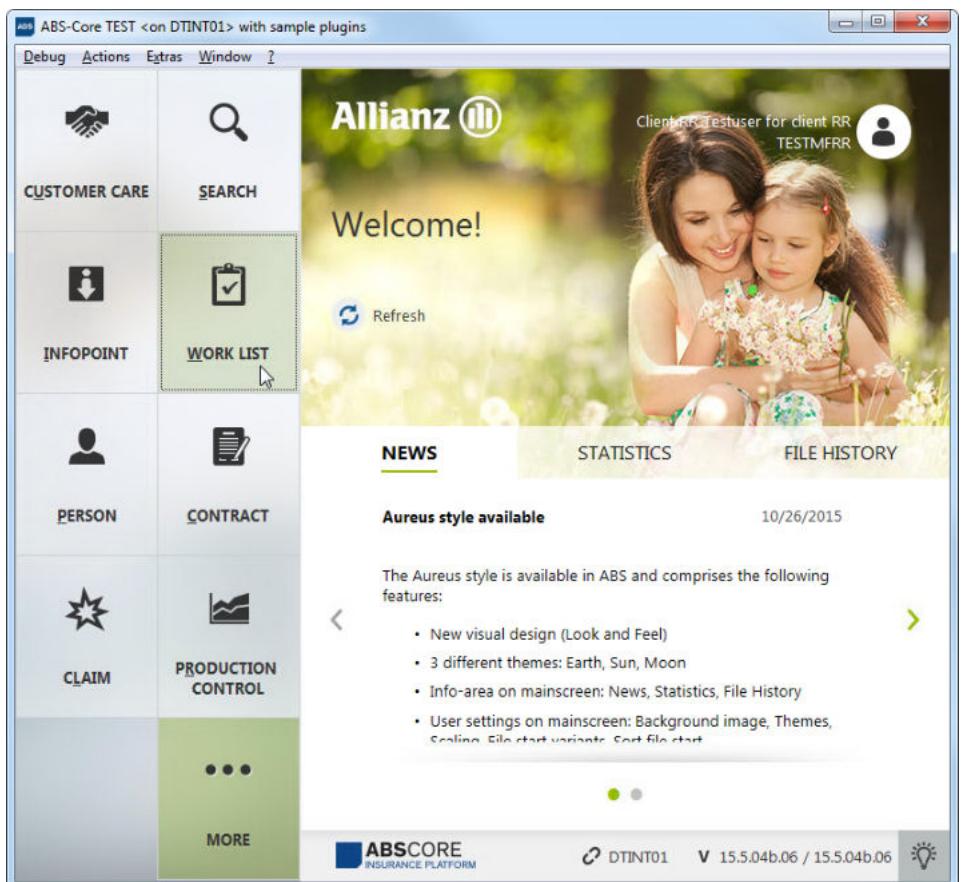
Work lists - Detailed description



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Claim Work List Search Demonstration

Check out the slider to know more.



Click the Work List tile from the ABS main window to open the Work List file, where you click the top tab Claim.

The screenshot shows the 'Work list search <on DTINT01>' window. The top navigation bar includes tabs for Application, Contract, Dgc, Person, **Claim**, Recourse, Investigation, Assignm., Sched.task, and Request. The 'Claim' tab is selected. Below the tabs, there are two main sections: 'Search options' and 'Criteria'. In the 'Search options' section, the 'Display option' dropdown is set to 'My claims for processing'. In the 'Criteria' section, there are dropdown menus for Class group, Team, Clerk, Claim priority, Service priority, Sales channel, Escalation reason, and Sched task.

Here you can click the top tab Claim to move it to the Claim Work List. Note that the user can usually only see the Work Lists which he is authorized to use.

This screenshot shows the same 'Work list search <on DTINT01>' window as the first one, but with different settings in the 'Search options' section. The 'Display option' dropdown is now set to 'All claims to be processed'. The rest of the interface, including the 'Criteria' section and the bottom buttons, remains the same.

The Claim Work List search screen provides two options:

1. Standard search:

Click the drop-down list box labeled with Display options in the block Search options to display the following values:

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Recourse	Investigation	Assignm.	Sched.task	Request
Standard	Standard-search								
Search options									
Display option		All claims to be processed							
<input type="checkbox"/> Detail search									
Criteria									
Class group		Claim Non-life							
Team									
Clerk									
Claim priority									
Service priority									
Sales channel									
Escalation reason									
Sched task									

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Recourse	Investigation	Assignm.	Sched.task	Request
Standard	Standard-search								
Search options									
Display option		All claims to be processed							
<input type="checkbox"/> Detail search									
Criteria									
Class group		Claim Non-life							
Team									
Clerk									
Claim priority									
Service priority									
Sales channel									
Escalation reason									
Sched task									

If you select, for example, All Claims, you can select the following filter criteria in the Criteria block:

- All Claims: All Claims that correspond to the search criteria that have not been processed and completed yet
- My Claims to be processed: All Claims that are allocated to the current user
- Team Claims to be processed: All Claims for which the team of the current user is responsible
- Other Claims to be processed: A sum of all Claims that have to be processed, but which cannot be processed yet, for example, due to a future Scheduled Task

This screenshot shows the 'Work list search <on DTINT01>' window for the 'Claim' tab. It includes tabs for Application, Contract, Doc, Person, Claim, Recourse, Investigation, Assignm., Sched.task, and Request. The 'Claim' tab is selected. A 'Standard' search panel is open, containing sections for 'Search options' (Display option set to 'All claims to be processed') and 'Criteria' (including dropdowns for Class group, Team, Clerk, Claim priority, Service priority, Sales channel, Escalation reason, and Sched task). At the bottom are 'Search', 'Reset search criteria', and 'Close' buttons.

This screenshot shows the same 'Work list search <on DTINT01>' window, but the 'Func.det.' search panel is open. It includes sections for 'Functional detail-search' (Search options, Display option set to 'All claims to be processed'), 'Criteria' (including dropdowns for Policy/Claim-No., Fleet no., Class group, Claim priority, Service priority, Sales channel, Medium, Escalation reason, Sched.task, and Sched.task priority), and a date range for 'Display tasks incl. dates' from 00/00/0000 to 00/00/0000. It also includes fields for 'Last/Company name' (Policy holder) and 'Handling status' (checkboxes for incomplete, approve, complete/settled, declined). At the bottom are 'Search', 'Reset search criteria', and 'Close' buttons.

2. Detail Search:

Click the check box Detail search in the block Criteria.
The Detail search option provides detailed search and filter criteria for functional characteristics of Claim cases.

This screenshot shows the 'Work list search <on DTINT01>' window with the 'Location det.' search panel open. It includes sections for 'Location detail - search' (Search options, Display option set to 'All claims to be processed') and 'Criteria' (including dropdowns for Functional skill, Location, Team, Clerk, On behalf, Area, Directorate, Sales center/Agency, and Sales unit/Agent No.). At the bottom are 'Search', 'Reset search criteria', and 'Close' buttons.

Furthermore, also Location details can be used to filter the work list. Click Search to retrieve the desired result.

At the bottom of the search result page ABS displays the function panel. There the user has the possibility to e.g. open search screen, change the allocation / personalization of the claim, enter a comment or jump into the claim file.

Work list file <on DTINT01>

File Debug Edit Branch out Extras Window ?

ABS-Kern Work list

Application Contract Doc Person Claim Recourse Investigation Assignm. Sched.task Request 11

List RR5688145922/2015 01000049 Rupsch Hilda

PS/Sched.task	Policy No.	Claim No.	Damage date	Cl.	Policy holder	Pr.	Work list since
Comment	RR5688145...	2015 01000...	08/17/2015 ...	L...	Rupsch Hilda	N	08/18/2015 14:34:56
Documents	RR5688145...	2015 01000...	08/18/2015 ...	FZ	Rupsch Hilda	N	08/19/2015 14:45:49
Notice	RR5688145...	2015 01000...	08/18/2015 ...	FZ	Rupsch Hilda	N	08/19/2015 14:52:51
	RR0004000...	2015 01000...	11/03/2015 2...	HH	bmw Christian	N	11/04/2015 11:39:31
	RR0004000...	2015 01000...	11/09/2015 2...	HH	bmw Christian	N	11/18/2015 13:30:16

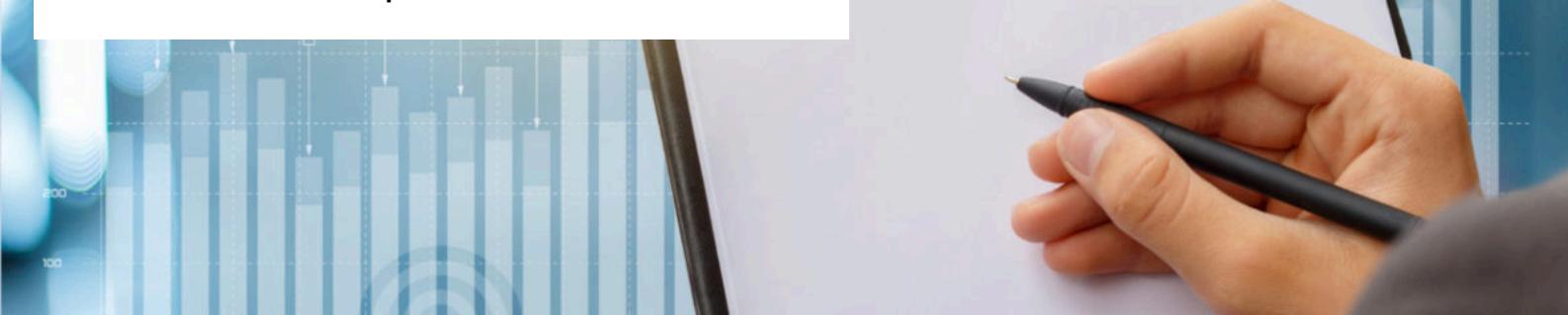
1/5 Numb. 1/5

Search... Clerk Allocate temp. Allocate Comment... Priority... Return... Edit... Refresh

TESTMFRR
V 16.0.05a.10

Contract Work List

Work lists - Detailed description



In this example,



Conrad Smith signed a health insurance application that he was offered by his Agent. Due to his physical condition (he is a little overweight) the application was escalated by a process slip and is displayed in the contract worklist for verification of the risk to be insured.

The contract worklist is a list of all applications and/or contracts with activities to be processed. They have specific work assignments such as:

- Process Slips

- Scheduled Tasks

- Documents

The worklist displays basic details of contract business objects and has a team worklist view and an employee worklist view. The contract worklist is used for the processing of application and contract business objects through a clerk or team leader. A worklist entry is an assignment for an employee. As soon as the work assignment has been completed, the entry is removed from the worklist.



Application and contract business objects can be allocated to employees by the team leader. In contrast to claim business objects, contract business objects can only be allocated temporarily.

If the clerk is not able to process the business objects, it is possible to return the allocation and the entire business object to the team worklist by entering a reason. The team leaders can also retract the allocation; in this case, they do not have to give a reason.

The performance table "application list" (TANTRAGSLISTE) in the enterprise data model contains the data for the application or contract work list. A batch job imports the data to be processed into this entity for the next business day.

There is a difference between the team leader search and the clerk search:

- **Team leader search:** The team leader filters applications or contracts to be processed and allocates them to the team according to the following criteria: selection to distinguish between new applications and cancellations, teams, main classes or main class groups, scheduled tasks
- **Clerk search:** the employee or clerk searches for 'My business objects to be processed' to display all application and contract business objects allocated to the current user. New applications or contracts can also be picked from the team view.

The performance table "Application List" (TANTRAGSLISTE) in the enterprise data model contains the data for the application or contract work list. A batch job imports the data to be processed into this entity for the next business day.



Definitions

[Agent](#)

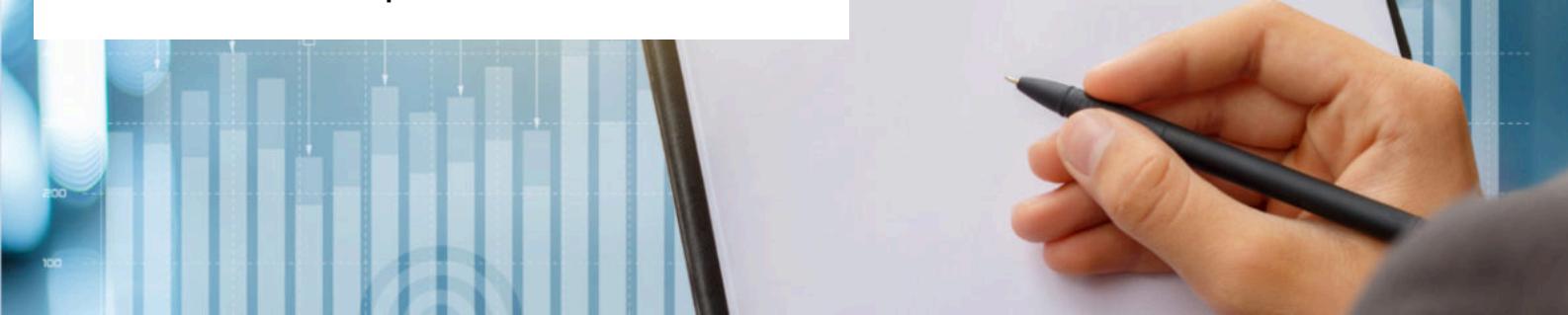
[Application](#)

[Contract](#)

[Performance Table](#)

Contract Work List Search Demonstration

Work lists - Detailed description



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Contract Work List Search Demonstration

Checkout the slider to know more.

The screenshot shows the main interface of the ABS-Core TEST application. On the left, there is a navigation sidebar with several tiles: 'CUSTOMER CARE' (handshake icon), 'SEARCH' (magnifying glass icon), 'INFOPOINT' (down arrow icon), 'WORK LIST' (checklist icon, which is highlighted with a dashed border and has a cursor pointing at it), 'PERSON' (person icon), 'CONTRACT' (document icon), 'CLAIM' (starburst icon), 'PRODUCTION CONTROL' (chart icon), and 'MORE' (three dots icon). To the right of the sidebar, the main area displays the 'Allianz' logo, a welcome message 'Welcome!', a photo of a woman and a child, and three tabs: 'NEWS' (underlined), 'STATISTICS', and 'FILE HISTORY'. Below these tabs, there is a section titled 'Aureus style available' with the date '10/26/2015'. This section contains a list of features: 'New visual design (Look and Feel)', '3 different themes: Earth, Sun, Moon', 'Info-area on mainscreen: News, Statistics, File History', and 'User settings on mainscreen: Background image, Themes, Scaling, File start variants, Start file start'. At the bottom of the screen, there is a footer with the 'ABSCORE INSURANCE PLATFORM' logo, the text 'DTINT01 V 15.5.04b.06 / 15.5.04b.06', and a lightbulb icon.

Click the Work List tile to open the Work List file. Click the top tab Contract to display the corresponding Work List.

Here you can click the top tab Contract to move it to the Contract Work List. Note that the user can usually only see the Work Lists which he is authorized to use.

The Contract Work List search provides two options:

1. Standard search:

Click the drop-down list box Display option in the block Search options to display the following options:

- My Business Objects to be processed: all Applications or Contracts that are allocated to the current user are displayed
- Business Objects to be allocated: all Applications or Contracts that are to be allocated by the team leader are displayed

- Application without Documents: All Business Objects where the completed and signed Document is missing are displayed
- All Applications: All Application Business Objects to be processed as well as all Business Objects which are not ready for Post-Processing are displayed

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Reourse	Investigation	Assignm.	Sched.task	Request	
Search - functional details										
Search options										
Func.det.	Display option	All applications								<input checked="" type="checkbox"/> Detail search
Location det.										
Criteria										
Policy No. <input type="text"/>										
Fleet No. <input type="text"/>										
Main class group	Motor insurance									
Main class	Vehicle bundle									
Request class	<input type="text"/>									
Selection	<input type="text"/>									
Fleet type	Company, fleet without invoicing									
Sales channel/Service priority	Broker <input type="text"/> Basis									
Reas for amendm. contract	G01 - New contract of the requested insurance									
RFA-non-recurr settlement	E01 - Campaign credit									
Escalation reason	<input type="text"/>									
Sched.task	<input type="text"/>									
Sched task priority	<input type="text"/>									
Generation status	<input type="text"/>									
Display tasks incl. dates	from <input type="text"/> 01/01/0001	to <input type="text"/> 01/01/0001								
Process slip/Sch.t. to	<input type="text"/>									
Last/Company name	from <input type="text"/>	to <input type="text"/>								
Handling status	<input checked="" type="checkbox"/> incomplete	<input checked="" type="checkbox"/> approve	<input checked="" type="checkbox"/> complete/settled	<input checked="" type="checkbox"/> declined	<input checked="" type="checkbox"/> follow-up	<input checked="" type="checkbox"/> waiting	<input checked="" type="checkbox"/> laid aside			

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Reourse	Investigation	Assignm.	Sched.task	Request	
Search - functional details										
Search options										
Func.det.	Display option	All applications								<input checked="" type="checkbox"/> Detail search
Location det.										
Criteria										
Policy No. <input type="text"/>										
Fleet No. <input type="text"/>										
Main class group	Motor insurance									
Main class	Vehicle bundle									
Request class	<input type="text"/>									
Selection	<input type="text"/>									
Fleet type	Company, fleet without invoicing									
Sales channel/Service priority	Broker <input type="text"/> Basis									
Reas for amendm. contract	G01 - New contract of the requested insurance									
RFA-non-recurr settlement	E01 - Campaign credit									
Escalation reason	<input type="text"/>									
Sched.task	<input type="text"/>									
Sched task priority	<input type="text"/>									
Generation status	<input type="text"/>									
Display tasks incl. dates	from <input type="text"/> 01/01/0001	to <input type="text"/> 01/01/0001								
Process slip/Sch.t. to	<input type="text"/>									
Last/Company name	from <input type="text"/>	to <input type="text"/>								
Handling status	<input checked="" type="checkbox"/> incomplete	<input checked="" type="checkbox"/> approve	<input checked="" type="checkbox"/> complete/settled	<input checked="" type="checkbox"/> declined	<input checked="" type="checkbox"/> follow-up	<input checked="" type="checkbox"/> waiting	<input checked="" type="checkbox"/> laid aside			

The display options can be customized according to customer's needs.

If you select, for example, the value All Applications, you can select the following filter criteria in the block Criteria:

- Main Class Group: e.g. Motor insurance
- Main Class: e.g. Vehicle bundle
- Team: e.g. Team Contract vehicle 1
- Clerk: all clerks with change rights for Contracts available in this drop-down list box

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Reourse	Investigation	Assignm.	Sched.task	Request
Search - functional details									
Search options									
Func.det.	Display option All applications <input checked="" type="checkbox"/> Detail search								
Location det.									
Criteria									
Policy No. <input type="text"/>									
Fleet No. <input type="text"/>									
Main class group	Motor insurance								
Main class	Vehicle bundle								
Request class	<input type="text"/>								
Selection	<input type="text"/>								
Fleet type	Company, fleet without invoicing								
Sales channel/Service priority	Broker <input type="text"/> Basis <input type="text"/>								
Reas for amendm. contract	G01 - New contract of the requested insurance								
RFA-non-recurr settlement	E01 - Campaign credit								
Escalation reason	<input type="text"/>								
Sched.task	<input type="text"/>								
Sched task prionty	<input type="text"/>								
Generation status	<input type="text"/>								
Display tasks incl. dates	from <input type="text"/> 01/01/0001	to <input type="text"/> 01/01/0001							
Process slip/Sch.t. to	<input type="text"/>								
Last/Company name	from <input type="text"/>	to <input type="text"/>							
Handling status	<input checked="" type="checkbox"/> incomplete	<input checked="" type="checkbox"/> approve	<input checked="" type="checkbox"/> complete/settled	<input checked="" type="checkbox"/> declined	<input checked="" type="checkbox"/> follow-up	<input checked="" type="checkbox"/> waiting	<input checked="" type="checkbox"/> laid aside		

The fields in the search form are usually pre-set with the data associated with the current user.

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Reourse	Investigation	Assignm.	Sched.task	Request
Search - functional details									
Search options									
Func.det.	Display option All applications <input checked="" type="checkbox"/> Detail search								
Location det.									
Criteria									
Policy No. <input type="text"/>									
Fleet No. <input type="text"/>									
Main class group	Motor insurance								
Main class	Vehicle bundle								
Request class	<input type="text"/>								
Selection	<input type="text"/>								
Fleet type	Company, fleet without invoicing								
Sales channel/Service priority	Broker <input type="text"/> Basis <input type="text"/>								
Reas for amendm. contract	G01 - New contract of the requested insurance								
RFA-non-recurr settlement	E01 - Campaign credit								
Escalation reason	<input type="text"/>								
Sched.task	<input type="text"/>								
Sched task prionty	<input type="text"/>								
Generation status	<input type="text"/>								
Display tasks incl. dates	from <input type="text"/> 01/01/0001	to <input type="text"/> 01/01/0001							
Process slip/Sch.t. to	<input type="text"/>								
Last/Company name	from <input type="text"/>	to <input type="text"/>							
Handling status	<input checked="" type="checkbox"/> incomplete	<input checked="" type="checkbox"/> approve	<input checked="" type="checkbox"/> complete/settled	<input checked="" type="checkbox"/> declined	<input checked="" type="checkbox"/> follow-up	<input checked="" type="checkbox"/> waiting	<input checked="" type="checkbox"/> laid aside		

2. Detail search:

Click the check box Detail search in the block labeled with Criteria. The detail search provides functional detail search and filter criteria for functional characteristics of Contracts.

- If you click for example the side-tab Location detail, location filter criteria can be used. Sales unit or Agent number

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Recourse	Investigation	Assignm.	Sched.task	Request	
Search - Location details										
Search options										
Display option		All applications <input checked="" type="checkbox"/> Detail search								
Criteria										
Func.det.	Functional skill									
Location det.	Location	Central office								
	Team	Contract Vehicle 1								
	Clerk									
	Current clerk									
	On behalf									
	Region									
	Directorate									
	Sales center/Agency	Broker	Sales center Allianz International Insurance Srl							
	Sales unit/Agent No.	All	Selection <input type="button"/>							
<input type="button" value="Search"/> <input type="button" value="Reset search criteria"/> <input type="button" value="Close"/>										

Furthermore, also Location details can be used to filter the work list.

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Recourse	Investigation	Assignm.	Sched.task	Request	
Search - functional details										
Search options										
Display option		All applications <input checked="" type="checkbox"/> Detail search								
Criteria										
Func.det.	Policy No.									
Location det.	Fleet No.									
	Main class group	Motor insurance								
	Main class	Vehicle bundle								
	Request class									
	Selection									
	Fleet type	Company fleet without invoicing								
	Sales channel/Service priority	Broker	<input type="button"/> Basis							
	Reas.for amendm. contract	G01 - New contract of the requested insurance								
	RFA-non-recurr settlement	E01 - Campaign credit								
	Escalation reason									
	Sched task									
	Sched task priority									
	Generation status									
	Display tasks incl. dates	from 01/01/0001	to 01/01/0001							
	Process slip/Sch.t. to									
	Last/Company name	from	to							
	Handling status	<input checked="" type="checkbox"/> incomplete	<input checked="" type="checkbox"/> approve	<input checked="" type="checkbox"/> complete/settled	<input checked="" type="checkbox"/> declined					
		<input checked="" type="checkbox"/> follow-up	<input checked="" type="checkbox"/> waiting	<input checked="" type="checkbox"/> laid aside						
<input type="button" value="Search"/> <input type="button" value="Reset search criteria"/> <input type="button" value="Close"/>										

Click Search to retrieve the desired result. The result list displays the following information:

- Policy number
- Policy Holder
- Main Class

Work list search <on DTINT01>

Application	Contract	Dgc	Person	Claim	Recourse	Investigation	Assignm.	Sched.task	Request	11	
Search - functional details											
Search options											
Func.det.	Display option	All applications									<input checked="" type="checkbox"/> Detail search
Location det.											
Criteria											
Policy No.											
Fleet No.											
Main class group	Motor insurance										
Main class	Vehicle bundle										
Request class											
Selection											
Fleet type	Company, fleet without invoicing										
Sales channel/Service priority	Broker		Basis								
Reas for amendm. contract	G01 - New contract of the requested insurance										
RFA-non-recurr.settlement	E01 - Campaign credit										
Escalation reason											
Sched.task											
Sched task priorit											
Generation status											
Display tasks incl. dates	from	01/01/0001	to	01/01/0001							
Process slip/Sch.t to											
Last/Company name	from			to							
Handling status	<input checked="" type="checkbox"/> incomplete	<input checked="" type="checkbox"/> approve	<input checked="" type="checkbox"/> complete/settled	<input checked="" type="checkbox"/> declined							
	<input checked="" type="checkbox"/> follow-up	<input checked="" type="checkbox"/> waiting	<input checked="" type="checkbox"/> laid aside								
<input type="button" value="Search"/> <input type="button" value="Reset search criteria"/> <input type="button" value="Close"/>											

- Business Process Status
- Work List since
- Medium
- Reasons
- Sales channel

At the bottom of the search result page ABS displays the function panel. There the user has the possibility to e.g. open search screen, change the allocation of the contract, enter a comment or jump into the contract file.

The screenshot shows a software window titled "Work list file <on DTINT01>". The menu bar includes File, Debug, Edit, Branch out, Extras, Window, and ?.

The toolbar contains icons for New, Open, Save, Print, and Help.

The main area is labeled "ABS-Kern Work list". A tab bar at the top includes Application, Contract, Doc, Person, Claim, Recourse, Investigation, Assignm., Sched.task, Request, and a help icon.

A list view is displayed with the following columns:

	Policy no.	Policy holder	MCL	BP status	Work list since	Medium	Nu...	Reasons
PS/Sched.task	RR5688145685	Pichler Murat	PB	Incomplete	01/01/0001 00:00:00	Medium	1	in progress
Comment	RR5688145685	Pichler Murat	PB	Incomplete	01/01/0001 00:00:00	Medium	1	in progress
Documents	RR800106...	Allianz	KB	Incomplete	01/01/0001 00:00:00	Medium	1	in progress
Request	RR800204...	Bawag	KB	Incomplete	01/01/0001 00:00:00	Medium	1	in progress
	RR800204...	Bawag	KB	Incomplete	01/01/0001 00:00:00	Medium	1	in progress
	RR803215...	Bawag	KB	Incomplete	01/01/0001 00:00:00	Medium	1	in progress
	RR800106...	Bauer Andreas	KB	For approval	11/15/2012 11:43:03	Medium	1	Payment wit

At the bottom, there is a footer with the text "TESTMFRR" and "V 16.0.05a.10". Below the footer are several buttons: Search..., Return..., Allocate temporarily, Delegate, Edit... (highlighted in blue), Contract..., Remove, Detail info, Allocate, Comment..., Clerk, Priority..., and Refresh.



Definitions

Main Class

Policy Holder

Business Process Status

Work List Types (optional)

Work lists - Detailed description

OPTIONAL TOPIC

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Please note that optional contents are not relevant for the final examination.

Document worklist

for processing incoming mail items like email, fax or paper mail

Accumulation Work List

used by the reinsurance department for processing accumulation risks.

Expert opinion worklist

used for assigning expert opinions to team leaders and for completing expert opinions for experts

Customer Account worklist

used by the accounting department for processing customer Accounts

Quote worklist

used by sales agents to give an overview of quotes created for customers

Claim worklist

used for processing claim business objects in the customer care center

Booking worklist

used for processing escalated bookings

Investigation Work List

used for processing fraudulent business objects or business objects suspected of fraud

Application worklist

used by sales agents to give an overview of created Applications

Recourse worklist

used for processing recourse business objects in the customer care center

Feedback worklist

used by the customer care center for processing feedback from Insured Persons, injured persons, repair shops, lawyers, etc. and overview of feedback to a customer for the sales agents

Party worklist

used for processing person business objects

Contract worklist

for processing Contract Business Objects in the Customer Care Center

Assignment worklist

used by quality managers as overview of Assignments and for the accomplishment of service level agreements, for example, with partner repair shops

Premium credit worklist

used for processing premium credits which, for example, have not been automatically credited to a contract or a customer account

Reminder worklist

used by the accounting department to process appeals and reminders

Functional Know-How

Production control



Production control is used to monitor actual operating production in ABS.

It is a separate ABS file. In general, ABS production control can be divided into short-term production control and medium-term production control:

- Short-term production control is short-term monitoring of ABS operating production, which allows the team leader or the management to retrieve information on the workload in real time. It is used for daily monitoring based on operational data provided by ABS. It also enables the allocation and controlled execution of business objects.
- Medium-term production control is provided through data warehouse reports. It is used, for example, to monitor service levels after the processing of business objects. It is supported by regular reports provided in the management information system, such as intranet or other solutions according to the specific ABS customer. It ensures productivity and quality of service units and illustrates service levels and key performance indicators.



The **service level** is a certain performance agreed for an organizational unit for dedicated business objects. Service levels are used to control the scope in terms of quality, quantity and time for a supply relationship between organizational units.



The team leader of the team claim vehicle 1 needs to know whether the claims will be processed in time according to the agreed service levels and whether the current workload can be handled by the team, as the management of the central office wants a daily report.

The team leader uses the production control file in ABS to retrieve the desired information and date to file the daily report.

In general, two different types of information are available in production control:

1. Backlog of business objects or documents to be processed
2. Age information of business objects or documents to be processed



The **backlog** is the current state of business objects or documents to be handled.

The incoming objects per year are the basis for capacity planning. The incoming objects per day are the basis for the manpower and resource planning by the team leaders. The new backlog can

The new backlog can be determined by using the previous day's backlog plus the new incoming objects per day minus the execution per day.

be determined by using the previous day's backlog plus the new incoming objects per day minus the execution per day.

Production control shows the backlog of a specific team and the backlog of specific employees, in particular how many new business objects are available, how many business objects have already been processed and how many business objects are yet to be processed. This information is important for resource distribution, especially during peak times.

Production control is used by target groups:



Target groups consist of team leaders who are responsible for the dynamic control of the teams in real-time and also of the management for dynamic steering of the customer care center operation in real-time.

Tasks of a team leader:

Steering

Control of the daily workload by active and manual steering of business object processing.

Controlling

Control of the development of productivity and performance of the corresponding teams and clerks.

Quality management

Support of quality assurance functions.

Planning

Actual production planning.



Team control means monitoring the execution of business objects by assigning them to employees.

The assignment can be temporary or, in the case of claim business objects, personalized. The assigned business objects are allocated to the employee's backlog.



Definitions

Backlog

Target

Production Control

Service Level

Backlog

Target Group

Team control

Document Age Structure, Backlog, Daily

Balance Demo

Production control



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Document Age Structure, Backlog, Daily Balance Demo

Check the slider to know more.

Queues	Total	Mail/Fax/Web	Broker ... Fax/Web	Scanned mail				
	Quant.	oldest	Qu....	oldest	Qu....	oldest		
Claim creation non-life	266	06/26/2012	206	06/26/2012	39	06/27/2012	21	06/27/2012
	266	06/26/2012	206	06/26/2012	39	06/27/2012	21	06/27/2012
Full	266	06/26/2012	206	06/26/2012	39	06/27/2012	21	06/27/2012

To display the Backlog in Production Control:

- Open the file Production Control and move to the top-tab Documents side-tab Backlog.
- In the drop-down list box queue of the filter block you can filter the results according to queue, location and team.

Filter

Queue: Claim queues Location: Central office

Queues	Total		Mail/Fax/Web		Broker...Fax/Web		Scanned mail	
	Quant	oldest	Qu...	oldest	Qu...	oldest	Qu...	oldest
Claim creation non-life	266	06/26/2012	206	06/26/2012	39	06/27/2012	21	06/27/2012
Full	266	06/26/2012	206	06/26/2012	39	06/27/2012	21	06/27/2012

1/4 Refresh

If you select the check box - Display employee, you can view the backlog on the employee level. In this case, the field remains empty.

Click the button Refresh at the bottom of the window to retrieve your result.

Display mode

Queue: Claim queues

Queues	Total		Mail/Fax		Broker mail/Fax		Scanned mail	
	Receipt	Co...ed	Receipt	Co...ed	Receipt	Co...ed	Receipt	Com...ted
Full	0	10	0	4	0	0	0	6
Claim cr...n non-life	0	10	0	4	0	0	0	6
Sum	0	10	0	4	0	0	0	6

1/7 Refresh

To display the daily balance for documents:

In the side tab - Daily Balance, you can select the queue of the documents. In this case claim queues. By clicking refresh you can retrieve the results.

Display mode

Display employee

Queue: Claim queues

Queues	Total		Mail/Fax		Broker mail/Fax		Scanned mail	
	Receipt	Co...ed	Receipt	Co...ed	Receipt	Co...ed	Receipt	Com...ted
Full	0	10	0	4	0	0	0	6
Claim cr...n non-life	0	10	0	4	0	0	0	6
Sum	0	10	0	4	0	0	0	6

1/7 Refresh

The result for the claim queues is provided for the different sub-queues like, for example, claim creation non-life.

It is further divided into total and different categories (e.g. broker, scanned mail). The system also differentiates between received documents and completed documents.



Definitions

Production Control

Claim

Claim Backlog

Production control



Claim backlog provides a detailed overview of all claims to be processed and is structured by claim priorities, for eg: quick claim.



The backlog of claims and documents of particular teams are displayed.

The employees' view consists of the employees within a specific team and a team choice.

- The team leader is provided with an overview of the entire workload divided into: backlog old, new business, completed and backlog new.
- The team leader is also informed about allocated and non-allocated business objects.
- Claim business objects allocated to other teams and allocations from other teams are also available and the service level relevance can be checked with respect to maturity.

The purpose of this view is a control mechanism with respect to priority and workload for claims in a specific team. The team leader can check the backlog of each employee and can reorganize priorities. It is also possible to request support from other teams.

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Time information is an important information in claim production control. It shows how many claim business objects have been completed and closed per team, divided into timeframes and also the longest claim, which means the claim which took the most amount of time to be completed and closed. This information is required for compliance with service levels.



Definitions

[Claim Backlog](#)

Claim Production Control Demo

Production control



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Claim Production Control Demo

Checkout the slider to know more.

The screenshot shows the SAP Production Control application window titled "Production control file <on DINTV160>". The top menu bar includes "File", "?", "Documents", "Claim", "Contract", "Feedback", and "Campaign". The main area is divided into two sections: "Backlog" on the left and "Display mode" on the right. In the "Display mode" section, there are dropdown menus for "View" (set to "Team"), "Type" (set to "Claim"), and "Sales" (set to "Sales force"). There are also filters for "Location" (set to "Central office"), "Team" (set to "Claim first response"), and "Employee" (unchecked). Checkboxes for "Backlog development", "Display due date", and "only service level relevant" are present. Below these settings is a table titled "Team" with columns: Team, Total, Equipment, Quick claim, E LW-Portal, Nom. handling, and Other. A single row is shown for "Claim first response" with values: 125, 0, 0, 0, 0, 0, and 125 respectively. At the bottom left, the user information is shown as "TESTMFRR" and "V 16.0.04a.46". At the bottom right, there is a "Refresh" button.

Open the file Production Control and navigate to the top-tab Claims side-tab Backlog.

In the drop-down list box team in the display block, you can select the result view of the backlog for specific teams or sales units. In this case we search for a team view of claims and the sales channel sales force. As location we choose central office, team claim first response.

Click the check box backlog development to view the development of the backlog for this team.

The resulting view displays the backlog for the team in total and divided into different categories like nominated handling or quick claim ,as well as the Backlog development.

In this case, the old Backlog contains 125 claims; there are no new claims. No claims have been completed, which results in a new backlog of 125 claims. If you click old backlog in column 1, the claim work list with the old claims opens.

Team name	Total closed claims			
	longer 20 days	3 - 20 days	shorter 3 days	Longest
Allianz Int Ins. Claim investigation	0	0	0	0
Claim Accident	0	0	1	4
Claim first respondence	1	0	57	22
Claim Legal protection	0	0	3	2
Claim Liability 1	1	1	0	22
Claim Liability 2	0	0	0	0
Claim non-life 1	2	2	0	22
Claim non-life 1	0	0	0	0
Claim Property 2	57	0	0	22
Claim Property 3	3	0	1	1
Claim quick service	0	0	0	0
Claim Support	3	0	0	0
Claim Vehicle 1	0	2	0	17
Claim Vehicle 2	0	0	1	1
Claim Vehicle 3	0	0	0	0
Claim Vehicle International	0	0	1	1
Claims first respondence	0	2	57	17
Contract Collection	0	0	0	0
Contract Health	0	0	0	0

In the side tab - Processing, the results can be filtered according to location. E.g. Central office.

The result for each team of the Central office is divided into

- Amount of Claims for which the processing time was more than 20 days until Claim closure
- Amount of Claims which were processed in a time period between three and 20 days until Claim closure
- Amount of Claims for which the processing time was shorter than three days until Claim closure

Therefore, the information about the longest processing time of a Claim is indicated.

Contract Backlog

Production control



The contract backlog in the ABS production control provides a detailed overview of all applications and contracts to be processed, structured by customer-specific service levels, such as cancellation or new business.

The backlog of contracts and documents of particular teams are displayed.

The employees' view provides the team leader with an overview of the entire volume of work divided into backlog old, new business, completed and backlog new. In addition, it contains information about allocated business objects and non-allocated business objects. The service level relevance with respect to maturity can also be checked.



The purpose of this view is a control mechanism with respect to priority and workload for contracts in a specific team. The team leader can check the backlog of each employee and can reorganize priorities.

It is also possible to request support from other teams.



Definitions

[Contract Backlog](#)

Data Model – Production Control

Production control



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The entities TVERTRARBSTAND (contract backlog) for contracts and TSCHADARBSTAND (claim backlog) for claims are the basis for the production control of these two business objects.

TARCHIVINDEX (Archive Index) is the basis for the production control of documents.

Each entry in the worklist entity (e.g. TSCHADENLISTE) has a corresponding entry in the related backlog entity, in this case in the claim backlog (TSCHADARBSTAND).

If a worklist entry is completed, the workstep for the related backlog entity will also be set to completed.

The entity TARCHIVINDEX is used as data basis by the document worklist as well as by production control.

Configuration of Age Structure

Production control



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The age structure is configured in the claim/assignment maintenance file. It consists of two components:

- SQL query which collects the data to depict (e.g. age structure of certain documents and teams)
- Report for the data output type (e.g. in a line diagram). This report is designed with an external tool.

The entity TAUSWERT_LOK (report location) contains the locations for which the data is to be provided.

The entity TAUSWERTSTG (report control) enables report creation or change. The metadata of a report can be defined here, for example claim age structure – bar chart.

The entity TAUSWERTDAT (report data) contains the structure as well as the SQL statement for the query and content of the data in relation to age structure.

The entity TAUSWERTVERW (report usage) allows the definition of the usage of reports, the type of depiction, the report type and category.

Recap of Organizational Model

Details of the organization and authorization model



The **Golden Triangle** principle is the linking of the three objects Location, Role and Employee.

Location

Defines a location in terms of ABS institutions

- Building
- Level within an organizational hierarchy
- Team
- Notebook

Role

Includes a bundle of access rights and access restrictions

- Defines visibility of areas in ABS
- Permits/forbids changes

Employee

Manages the most important data of an ABS user

- UserID
- Staff number
- Name
- Additional employee information



ABS contains locations to manage the organizational structure. The rights model allows the definition of rights bundles to attain authorization in ABS. Data of employees are stored and thus provide the ABS user and personnel management.



Definitions

Golden Triangle

Employee

Location

Role

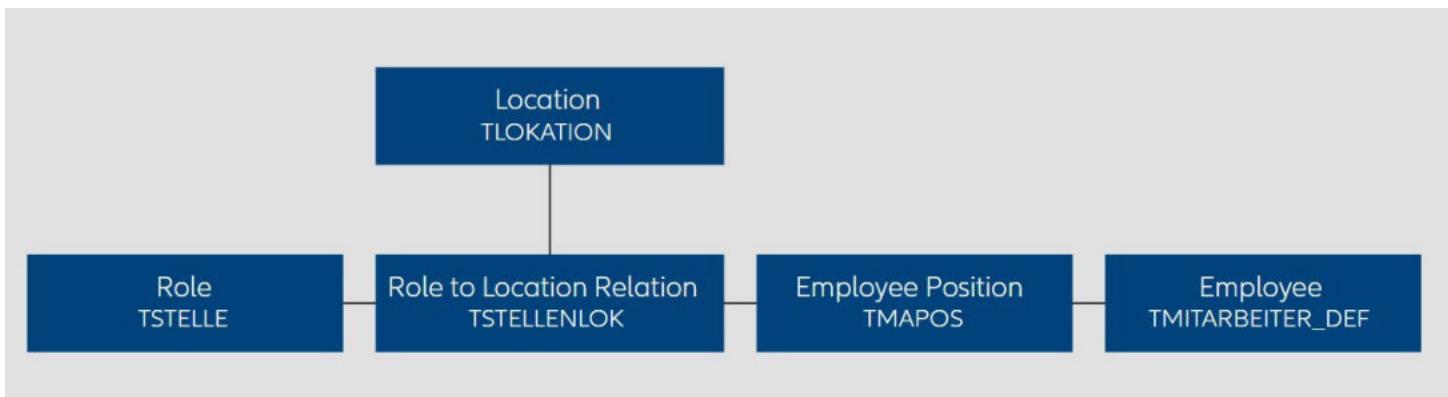
Data Model "Golden Triangle"

Details of the organization and authorization model



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The diagram illustrates that the role to location relation (TSTELLENLOK) is the connection between location (TLOKATION) and role (TSTELLE). It enables the linking of several roles to several locations.



The employee position (TMAPOS) is the link between the role to location relation (TSTELLENLOK) and the employee (TMITARBEITER_DEF). It specifies the role that is assigned to an employee at a specific location.

Detail Employee

Details of the organization and authorization model



An employee is equal to being a user of the ABS system. The user ID is used for authentication in ABS.

Employee Position
TMAPOS

Employee Defining
TMITARBEITER_DEF



The employee data are stored in the table TMITARBEITER_DEF. It contains data of the employee, such as first and last name, user ID, staff number and employee type.

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An ABS user must always be assigned at least one location and one role.

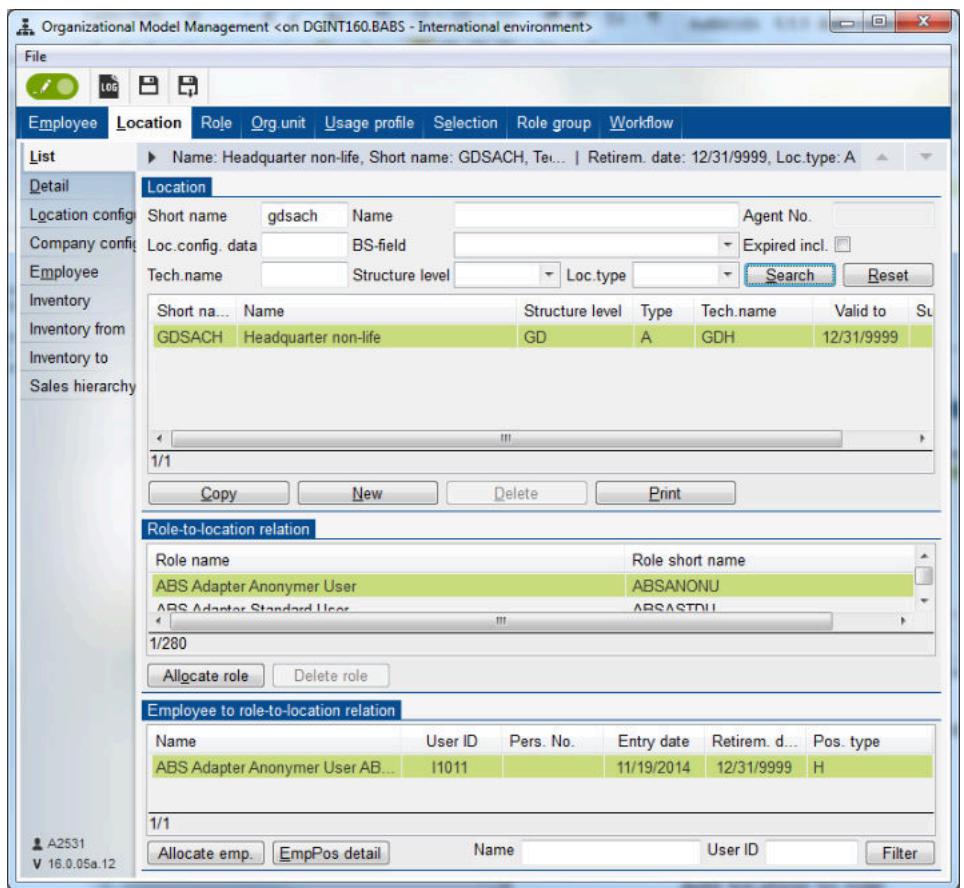
It is possible to assign different types of employee positions (TMAPOS), such as a primary, secondary or substitute employee position. An ABS user must be assigned exactly one primary employee position, but can be assigned multiple further employee positions.



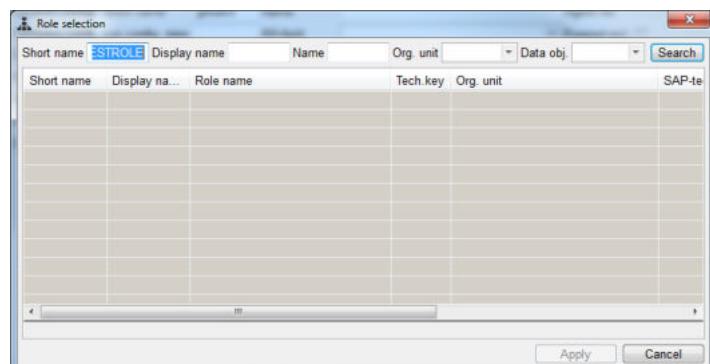
Let us take a look at an example:

The new employee John Doe, in the team Claim Vehicle Liability of the Customer Care Center is assigned his primary employee position consisting of the role claim clerk first level and the location claim vehicle liability. In addition, he is temporarily working for the team claim non-life when many team members are on vacation or absent. For the sake of substituting colleagues, he is assigned a secondary employee position consisting of the role claim clerk first level and the location claim non-life.

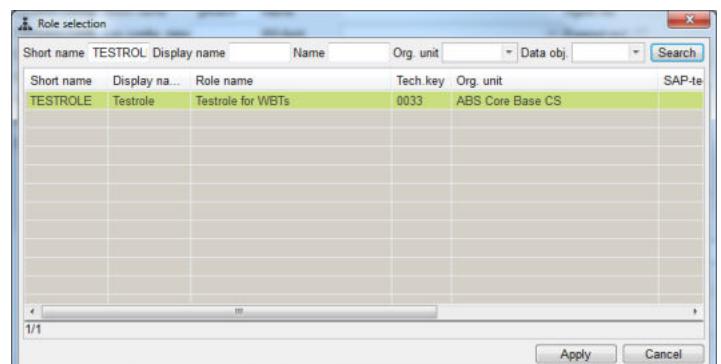
Check out the slider to know more.



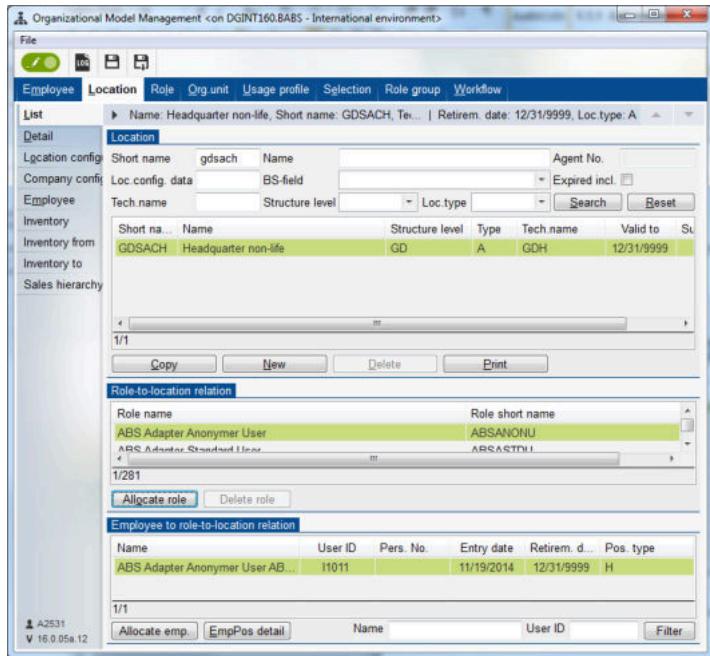
Go to Location. List and search for a location (e.g. using the short name field). Click the Allocate Role button.



Search for a certain role (e.g. TESTROLE – which was previously created).



Click the Apply button.



The result is that the role "Testrole for WBTs" is allocated to the location GDSACH.



Definitions

Claim

Table

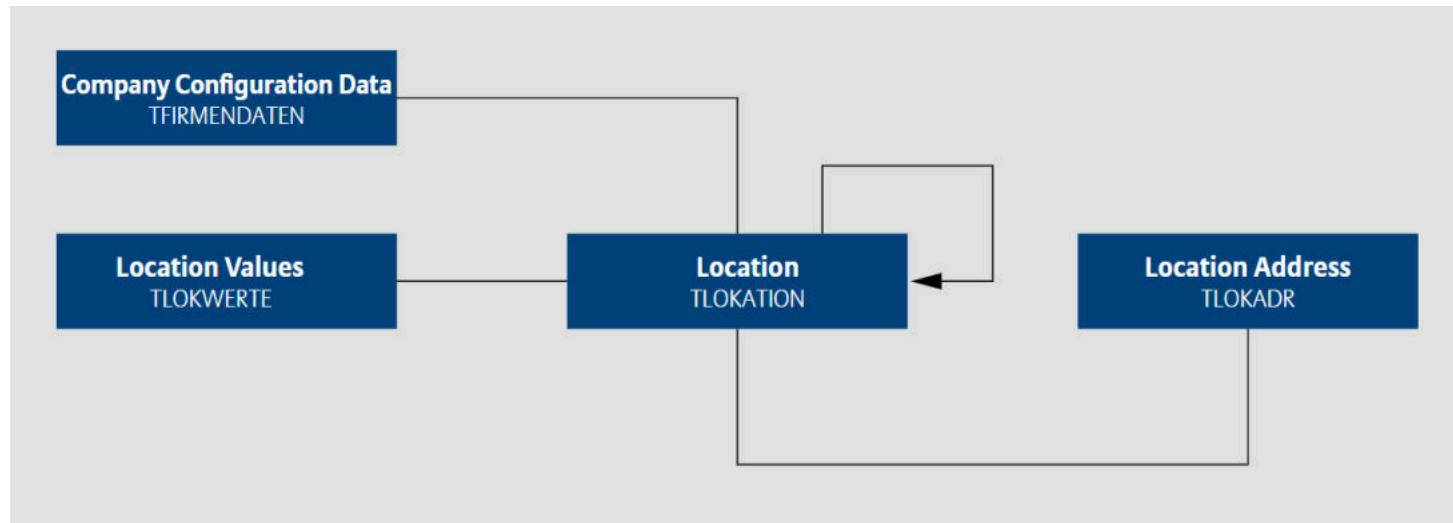
Detail Location

Details of the organization and authorization model



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Location information is persisted in the entities as illustrated. With the connection of sub-ordinate locations to a location, a hierarchical tree structure is formed.



Company Configuration Data



Company configuration data are a central feature for configuration in ABS. They are, for instance, used for activation of functions, setting of parameters used as input for batch programs or for the parameterization of specific functions and cross-cutting functionalities in ABS.

Company configuration data are always configured to locations with the structure level "Headquarters". They either refer to a specific tenant or to the entire ABS system. In the latter case, they are referred to as "System Company Configuration Data".

- Some company configuration data are interpreted in a hierarchical way meaning that company configuration data is first read from tenant level and if not available there, retrieved from the system company configuration data.

Examples for company configuration data at system and tenant level:

Company configuration data system-wide:

- **Technical settings:** database codepage, database identifier
- **Activation of functions:** data window, tenant filter, geocoding
- **Input parameter:** Fee for print requests, tolerance limits, end dates of tarif generation

Company configuration data per tenant:

- **Activation of functions:** SEPA function, credit card payment, use of funds basket
- **Input parameters:** Company key, tenant language, tenant currency, tenant country, booking area, minimum payment limit, bank account data for incoming and outgoing payments



Location Configuration Data

Similar to company configuration data, the location configuration data provide generic configuration settings. In contrast to the company configuration data, location configuration data can be defined to the locations of all sic structure levels.

Examples for Location Configuration Data

- **Activation of functions:** activation of agent number filter for a certain location and sub-ordinate locations
- **Special product versions:** special rates applied for employees assigned to a certain location and sub-ordinate locations
- **Team context and location:** claim handling team located in the customer care center



Definitions

[SEPA](#)

Structure Levels

Details of the organization and authorization model

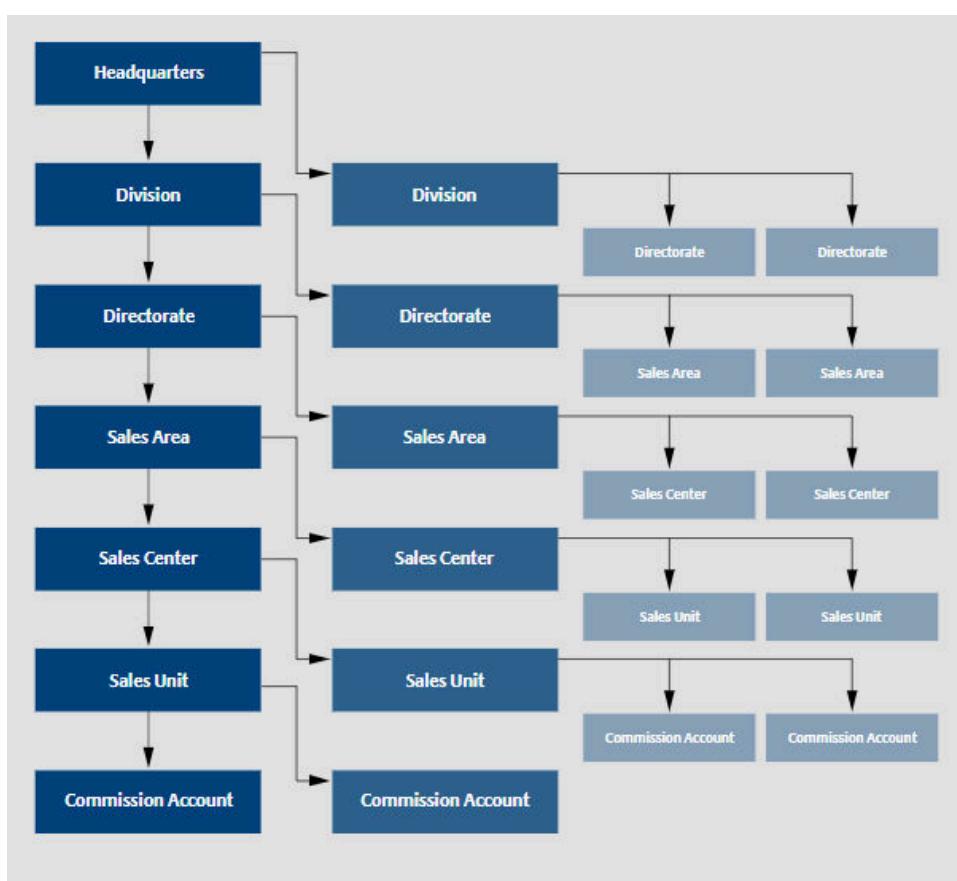


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It is possible to depict the highly complex organizational structures of insurance companies within ABS. The diagram below shows an example of a structure from headquarters on the top down to sales units at the bottom.

Every location is defined by one of six structure levels in the organizational structure. As it follows a tree structure, multi-stage hierarchies are possible.

Example: multiple sales areas can be configured as sub-ordinate locations to a directorate.



The three top levels are referred to as central locations and form the office staff area:

- Headquarter
- Division
- Directorate

Central teams carrying out activities like contract management, claim handling or feedback management are part of this area. If a peripheral sales structure exists below the central location structure, then the corresponding regional directorates are configured as structure level "Directorate".

The three bottom levels are referred to as peripheral locations and form the sales staff area:

- Sales area
- Sales center
- Sales unit

Sales centers and agencies are configured at the 5th structure level. Agents and brokers working for a sales center/agency are configured at the 6th structure level. The sales unit location can be linked to one or several commission accounts. Note: commission accounts are part of operational data and are therefore not a further structure level in the location structure.



Central vs. Peripheral Locations

Employees assigned to at least one central location are classified as central users whereas users only assigned to peripheral locations are classified as peripheral users. Apart from the distinction between office and sales staff, this classification is used to control functions in ABS like the following examples illustrate:

- **Team routing:** business cases are routed to teams which are part of central locations only
- **Work lists:** availability of work lists is different for central and peripheral users. Example: business acceptance work list is only available to central users
- **Expert handling:** some functions which require profound expert knowledge such as multi-layer processing are only available to central users
- **Data window:** the agent filter function only works for peripheral users



Definitions

[Contract](#)

[Agents](#)

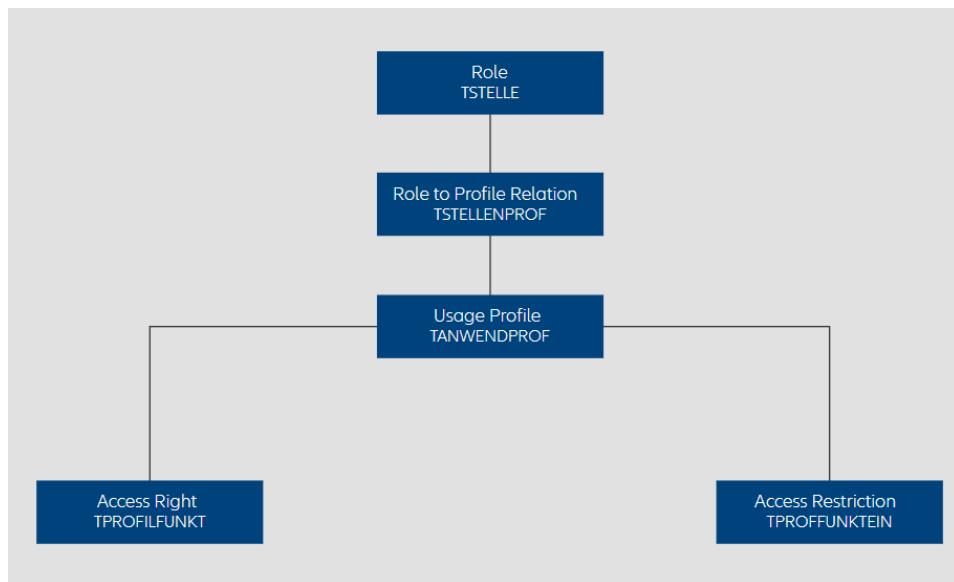
Role: detailed information

Details of the organization and authorization model



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Based on organizational responsibility, roles can be summarized into role groups, for example, all roles of the claim property central area.





Role Groups

Different role ranks can be assigned within the role group which enables the configuration of substitute rules which are used for the approval of process slips. Every role belonging to a role group with an equal or higher role rank compared to the role rank of the original role is authorized to approve the respective process slip.

The screenshot shows the SAP Organizational Model Management interface. The main window title is "Organizational Model Management <on DGINT160.BABS - International environment>". The top menu bar includes File, Log, Employee, Location, Role, Org unit, Usage profile, Selection, Role group, and Workflow. The left sidebar has tabs for List, Detail, Location config, Company config, Employee, Inventory, Inventory from, Inventory to, and Sales hierarchy. The main area is divided into sections: "Location" (with fields for Short name, Name, Agent No., Loc.config. data, Tech.name, Structure level, Loc.type, and search/reset buttons), "Role-to-location relation" (listing roles like ABS Adapter Anonymer User and ABS Adapter Standard User with their short names), and "Employee to role-to-location relation" (listing employees like ABS Adapter Anonymer User AB... with their user IDs). At the bottom, there are buttons for Allocate emp., EmpPos detail, Name, User ID, and Filter.

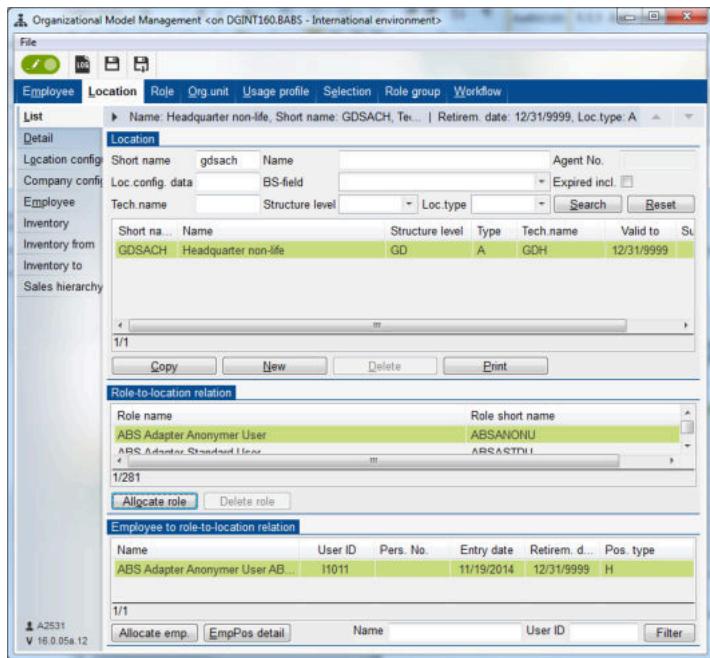
Go to Location. List and search for a location (e.g. using the short name field). Click the Allocate Role button.

The screenshot shows a "Role selection" dialog box. It has a header with "Role selection" and a search bar with the placeholder "Search". The main table has columns: Short name, Display name, Name, Org. unit, Data obj., and SAP-te. A search bar at the top of the table allows filtering by "TESTROLE". Below the table are "Apply" and "Cancel" buttons.

Search for a certain role (e.g. TESTROLE – which was previously created).

The screenshot shows the same "Role selection" dialog box after a search. The table now displays one row for "TESTROLE" with the details: Display name "Testrole", Name "Testrole for WBTs", Org. unit "0033", and SAP-te "ABS Core Base CS". Below the table are "Apply" and "Cancel" buttons.

Click the Apply button.



The result is that the Role "Testrole for WBTs" is allocated to the location GDSACH.

Organizational Model Entities

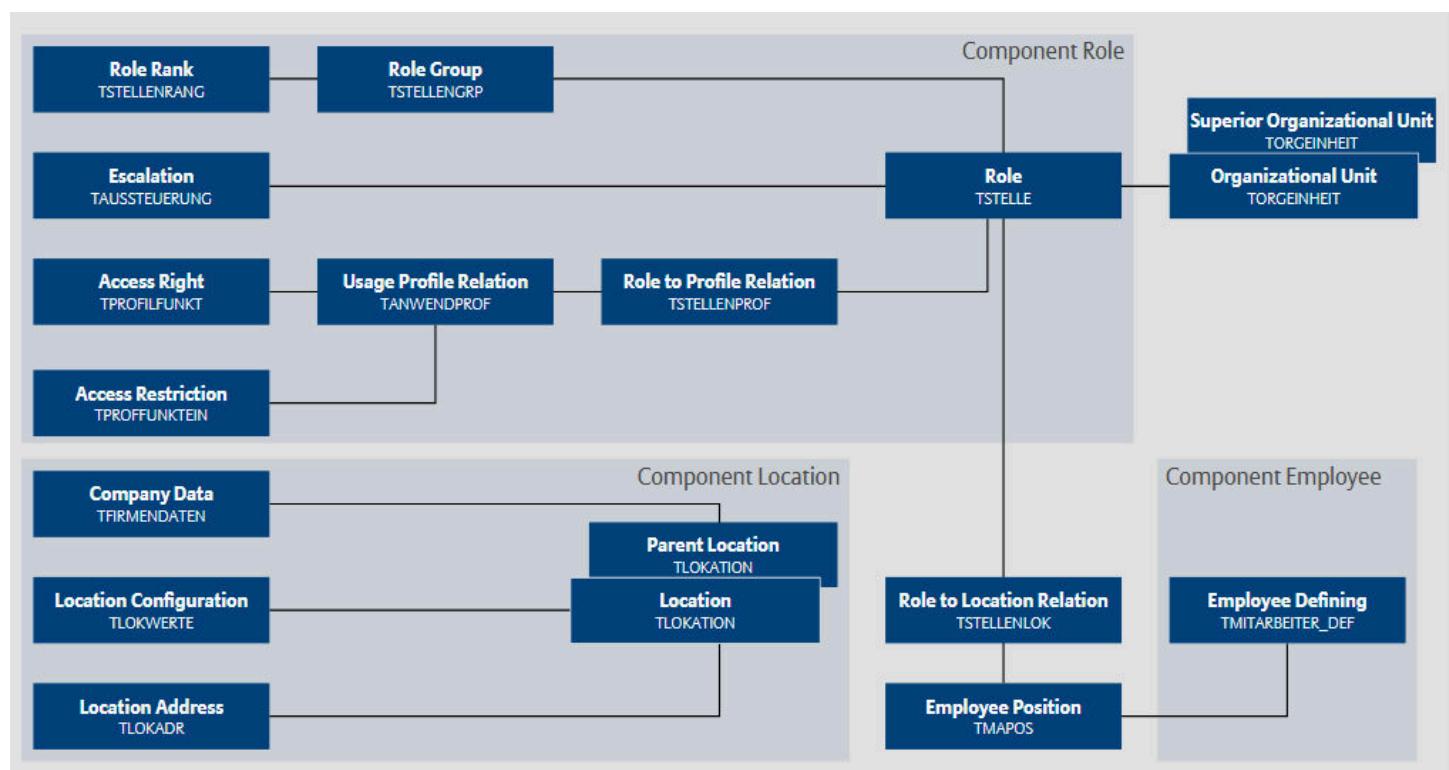
Details of the organization and authorization model



ABS Core Customer Portal

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Below is an overview of the tables relevant to the organizational model module. For further detailed information and understanding of the data model, please use the table search in the ABS Core Customer Portal.



Knowledge Check

What is TMAPOS used for?

TMAPOS (employee position) refers to the allocation of an employee to positions within the organizational structure whereby an employee has exactly one "primary" employee position, but can also be assigned several "secondary" or substitute employee positions.

Why are role groups and role ranks provided in ABS? Please name a use case.

Roles can be summarized into role groups based on their functional responsibilities. Within a role group, a role has a certain role rank. This is especially important to regulate substitute procedures in case an employee is substituted by an employee who is assigned different roles.

Please name at least five examples for company configuration data at system and tenant level

- Activation of functions (e.g. tenant filter, data window, SEPA functions)
- Technical settings (e.g. database encoding)
- Company key
- Limits / Thresholds
- Bank account data
- Tenant country
- Tenant language

Please describe top-down different structure levels of the central and peripheral locations in ABS

Central locations: Headquarters, division, directorate

Peripheral locations: sales area, sales center, sales unit

How are role and access right related to each other?

The role (TSTELLE) relates the usage profile via the role to profile relation (TSTELLENPROF). Further, the access right is directly related to the usage profile.

How are role and location connected to each other?

The role to location relation entity (TSTELLENLOK) defines which roles are available for which locations.



Definitions

[ABS Core Customer Portal](#)

[Roles](#)

Usage Profiles

Usage profiles and access rights



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The usage profile is a bundle of access rights and access restrictions that are required for using specific areas in ABS.

A usage profile is linked to the role via the role profile (TSTELLENPROF) and can be reused in several roles.

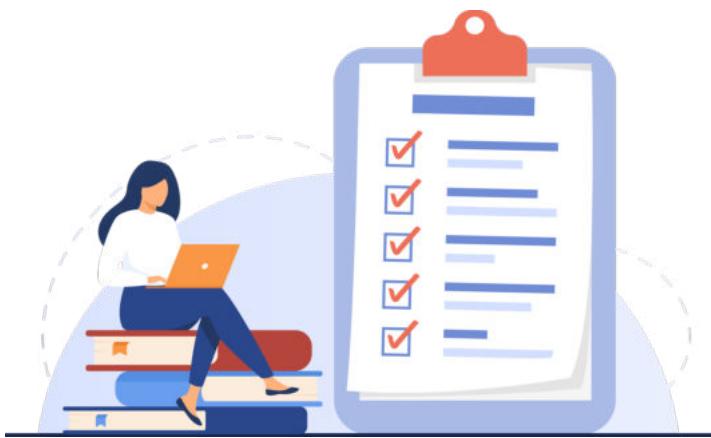
Access Rights

Usage profiles and access rights



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An access right is the smallest unit of authorization that can be configured.



Access rights refers to specific data object types in ABS like the following examples illustrate:

1. File (contract file, claim file, reminder work list etc.)
2. Screen in ABS Rich Client application defined by tabs and side-tabs
3. Functions (menu items, buttons, checkboxes etc.)

A flag determines if the access right is granted with edit or read-only authorization. Edit rights allow the change of objects which are covered by an access right whereas with a read-only restriction, objects can only be viewed.

!

Access right **VANAE** is the authorization for the contract file and for most screens in the contract file. A read-only restriction allows only to open the contract file and to see the file content, but not to switch to edit mode.

!

Access right **KKTAE** is the authorization for creating and editing a customer account. In case of a read-only restriction, customer accounts are displayed, but account data cannot be changed.

Access Restrictions

Usage profiles and access rights



Access restrictions are defined for specific aspects of an access right (c.f. below) and, as the name suggests, they restrict parts of the access right. An access restriction is defined to a specific data element in ABS.

The following data elements can be selected for access restriction:

- **File:** hiding files or display them in read-only mode
- **Screen:** hiding specific tabs or tab/side tab combinations or display them in read-only mode
- **Field:** hiding input fields in a certain file or display them in read-only mode
- **Function:** hiding functions that can be called up from ABS.
- **Document content:** access control to the content of documents based on the configured sensitivity level.
- **Document entry:** control visibility of documents within the document list based on the configured sensitivity level.



Logical application area

Access restrictions can be configured for a certain logical application area like e.g. for the contract life file. The underlying access right grants authorization for all application areas. If needed, access restrictions for logical application areas can be defined to restrict files, screens, functions etc. for certain ABS contexts.

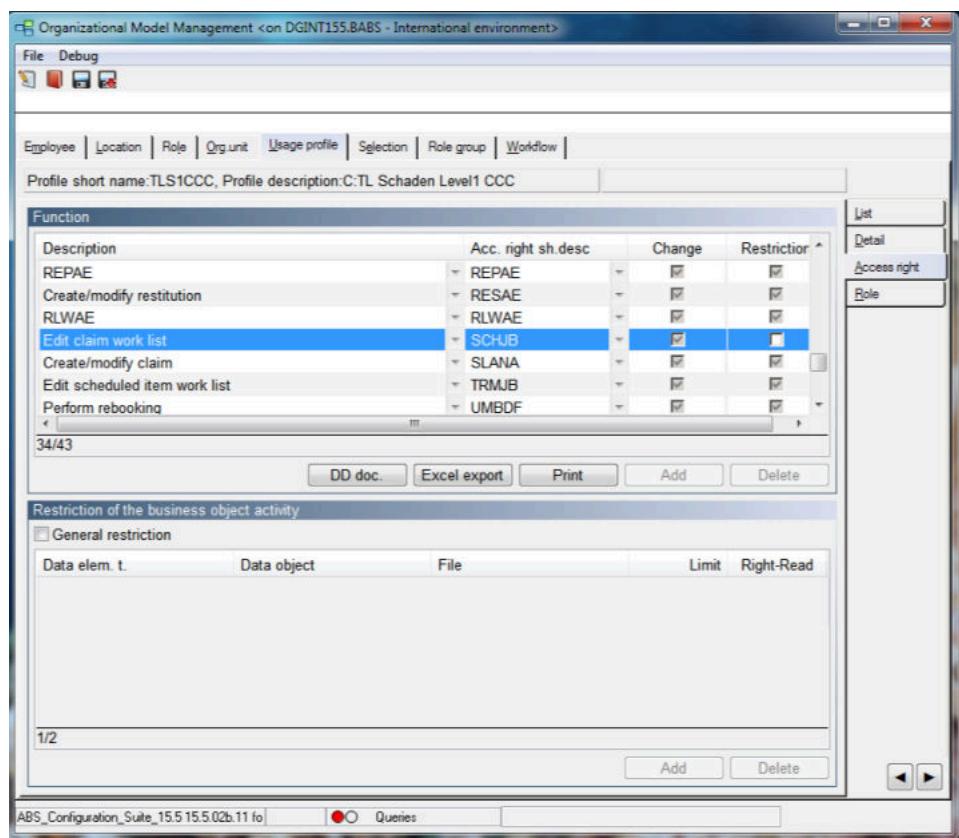


For example, For clerks of the contract vehicle team, a role is required which allows the access to the standard vehicle file, but to no other contract files. In addition, the clerks shall be able to view claims, but shall not be able to view or edit health claims.

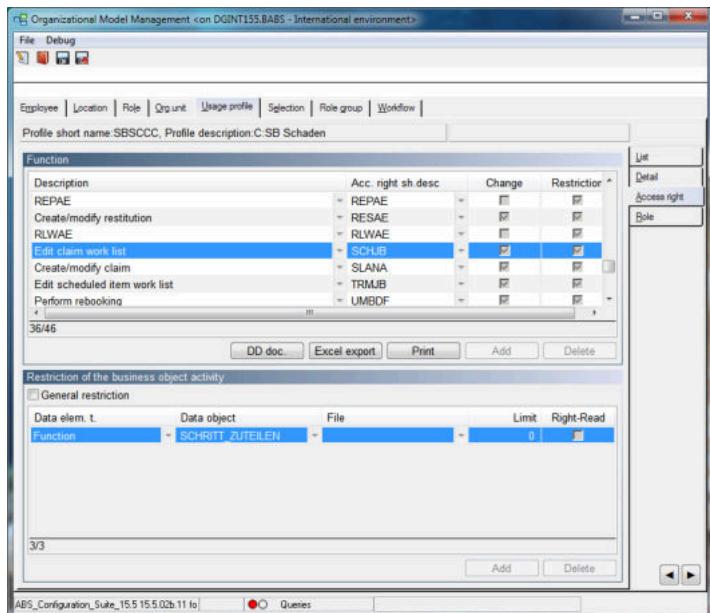
The configuration of a corresponding role would be the following: the access right VANAE with edit right must be configured which grants access to all contract files. At the same time, access restrictions without read-only restrictions must be configured to VANAE for all contract logical application areas except for contract vehicle. For claims, the file right EANAE with read-only restriction and an access restriction without read-only authorization to EANAE for the logical application area claim health is required.

Please note that this example is a simplified representation of a configuration for contract and claim files authorizations. In practice, further access rights like e.g. the right for the person file and further access restrictions would have to be considered, too.

A new file, the claims work list, is created. All claims clerks shall have the right to read and edit within the file. However, the side tab SCHRITT_ZUTEILEN shall be visible and changeable for team leaders only.



Here, the file access right, named SCHJB (claims journal), is created for the usage profile TLS1CCC (team lead). By clicking the Change button, the right to make changes within the file is granted.



For all other claims clerks, e.g. usage Profile claims clerk level 2 (SBSCCC), the edit mode for SCHRITT_ZUTEILEN must be restricted. The same access right is granted, but the tick box restriction is ticked. Note that, in the restriction of the business object activity block, the data element function and the data object SCHRITT_ZUTEILEN are selected, and the Read tick box is ticked. In this case, the limit is left blank or set to zero. It can be any numerical number and can be a sensitivity level for documents, a payment limit, etc. The right-read box (reading rights) is not ticked.

Interpretation of User Rights

Usage profiles and access rights



Roles in ABS are defined relating to organizational needs and independently from the employee data and the location structure.

An ABS user can be assigned different roles with several usage profiles. Thereby, the same access right can be configured several times with different access restrictions to different logical application areas. For that reason, the ABS rights model is also classified as an **additive rights model**.



When a user logs-in to ABS or when he branches out to a file, his access rights and access restrictions are interpreted to receive the maximum set of authorization.



Consider the example of an ABS user who is assigned the role team lead claim quick service with two usage profiles. The first usage profile contains the access right SLANA with edit authorization and without an access restriction.

The second usage profile also contains the access right SLANA with edit authorization and with access restrictions for the screens claim documents and claim scheduled task. In addition, the user is also assigned the role team lead claim property with one usage profile. This usage profile contains the access right SLANA with edit right and with an access restriction to the function "View provision" for the logical application area claim property.

Based on the given configuration for the access right SLANA, the ABS function for the interpretation of user rights would determine SLANA with edit authorization and without an access restriction as the maximum user right. Consequently in the claim file, the user is allowed to edit the content of all screens and use all functions which are covered by the access right SLANA.



Knowledge Check

Where in ABS are access rights created?

Access Rights are created in the organizational model application on the usage profile tab, Access Right side-tab.

Which data elements can be restricted via an access restriction in ABS?

File, screen, input field, function, document content and document input.



Definitions

Roles

Access Rights

Overview

Account Types



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Business accounts are used to document, display and control financial transactions within ABS.

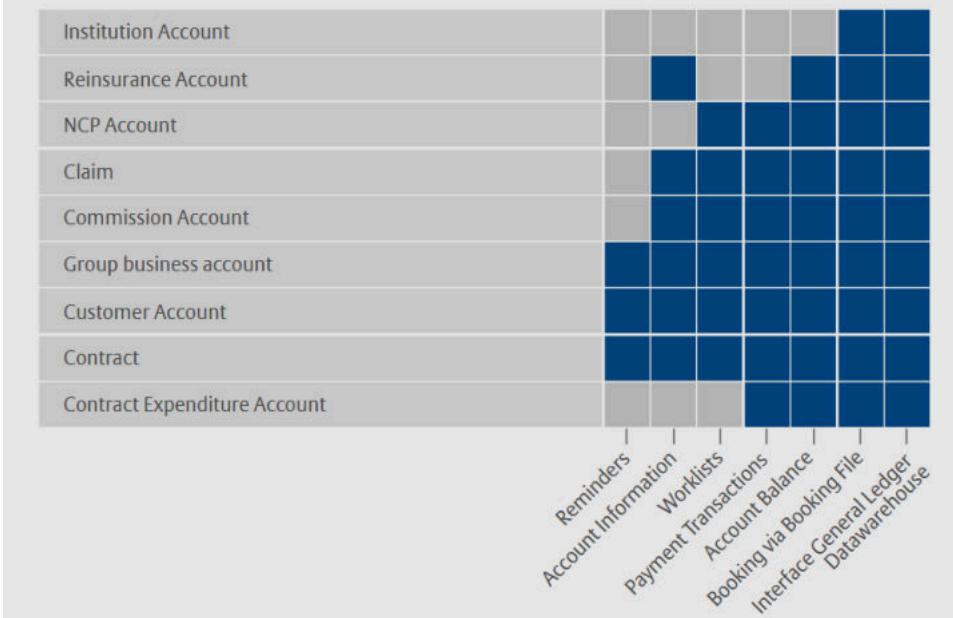
The below graphic provides an overview of the most important business accounts available in ABS.

You have already learned about the NCP account, claim account, commission account, customer account and contract account in the course of the Fellow training.

Now you are going to focus on the institution account, the reinsurance account, the group business account and the contract expenditure account.

Further Reading

Collection And Disbursement: Basics



Definitions

[Contract Account](#)

[Non-Classifiable Payments \(NCP\) Account](#)

[Commission Account](#)

[Customer Account](#)

The Group Business Account

Account Types



As its name indicates, group business account is used for group business.

The account is set up together with the master contract. The group business account serves as the basis for settling all individual policies listed in the group business master contract.

In the screenshot below, the ABS person file showing the list of available group business accounts is visible.

The screenshot shows a software interface titled "Legal person file [Allianz Group Test AG] <on DTINT01_DGINT170_BABS>". The window includes a toolbar with icons for file operations like Open, Save, Print, and Help. The main area displays a table of group business accounts:

Group business account number	Settlement type	Collection type	Balance
RR/1/00000000023	Cycle	Payment slip	-14542.00
RR/1/00000000025	Cycle	Payment slip	0.00

The table has a header row and two data rows. The columns are labeled "Group business account number", "Settlement type", "Collection type", and "Balance". The first row shows a balance of -14542.00, indicating an outstanding amount. The second row shows a balance of 0.00. The interface also includes a sidebar with navigation links like "Master data", "Account cont.", "Contracts", "Balance", "Instalment", "Hist.Instalment", "Reminder Data", and "Rem.data hist". At the bottom right, there is a button labeled "Create group business account".

Group business accounts support several settlement procedures:

- Cycle settlement
- Installment settlement
- Contract settlement

The preference of the group business determines which settlement procedure is used in a given group business account.



Definitions

[Cycle Settlement](#)

[Contract Settlement](#)

The Institution Account

Account Types



i

Only insurance companies own institution accounts. An institution account holds commission or fee bookings for coinsurance.

Both coinsurance directions – i.e. **inwards coinsurance** (assumed business) and **outwards coinsurance** – are covered by institutions accounts.

Institution accounts are not balanced. They are also not shown in ABS person file. A specific coinsurance interface is used to handle all coinsurance transactions, including coinsurance fees and commission.



Knowledge Check

Who owns institution accounts?

Only insurance companies own Institution Accounts.

Contract Expenditure Account

Account types



i

Contract expenditure accounts are closely connected to the contract, i.e. they have their own balance screen in the contract file.

They allow fees to be paid out before a contract is policy processed, so still in the application stage. The need for paying fees before a contract is constituted arises, for example, in life and health. During the examination of life and health applications, customer might incur costs.

Insurance agents use contract expenditure accounts to enter outgoing payment on an insurance application. Once the insurance application is policy-processed, the contract expenditure account is reassigned from the application to the contract.

!

As a rule of thumb, a policy needs to be fully constituted before any financial transaction takes place. That means, a policy needs to reach contract stage (stage = 3) before financial transactions are allowed and recorded. In exceptional cases, however, insurance agents may need to call for or record payments during application stage. If incoming payments need to be documented during application stage, insurance agents use the NCP Account to do so. If outgoing payments need to be documented during the application stage, insurance agents use the contract expenditure account to do so.

💡

Conrad Smith asks Janet Pennysworth whether he can insure his Lotus S2. Miss Pennysworth explains that insuring old-timers such as the Lotus S2 requires a special procedure. First, an expert evaluates the car and determines its current market value. The costs incurred by the expert evaluation will be documented. Ms. Pennysworth will use a contract expenditure account to do so. Once that is done, Ms. Pennysworth can complete Mr. Smith's insurance application.

📋

Definitions

Application

The Reinsurance Account

Account types



i

Only reinsurers own reinsurance accounts. A reinsurance account is created for each outwards reinsurance contract a year.

It holds all bookings related to outwards reinsurance contracts. Reinsurance accounts are shown in the person file. They are not balanced. They also cannot be settled using ABS core components.

The screenshot shows the appropriate share of premium and claims being booked automatically to the reinsurance account.

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04/15/2007	2.06	RI-premium	RI-subsequent invoicing		A800517134																																																																																																																				
04/15/2007	0.13	RI-premium	RI-subsequent invoicing		A800525955																																																																																																																				
04/15/2007	0.45	RI-premium	RI-subsequent invoicing		A803172558																																																																																																																				
04/15/2007	0.29	RI-premium	RI-subsequent invoicing		A803185422																																																																																																																				
04/15/2007	0.51	RI-premium	RI-subsequent invoicing		A803230428																																																																																																																				
04/15/2007	0.42	RI-premium	RI-subsequent invoicing		A803298187																																																																																																																				
04/15/2007	0.37	RI-premium	RI-subsequent invoicing		A803298188																																																																																																																				
159/762																																																																																																																									
<input type="button" value="Search"/> <input type="button" value="Current month"/> <input type="button" value="Booking detail"/> <input type="button" value="Print acc.stmt."/> <input type="button" value="Pay out"/> <input type="button" value="Cancel.."/>																																																																																																																									

The function "Active Reinsurance" in ABS contract file is used to handle inwards reinsurance. Financial transactions pertaining Inwards reinsurance appear on the contract balance for those specific policies.

Overview

Interfaces



i

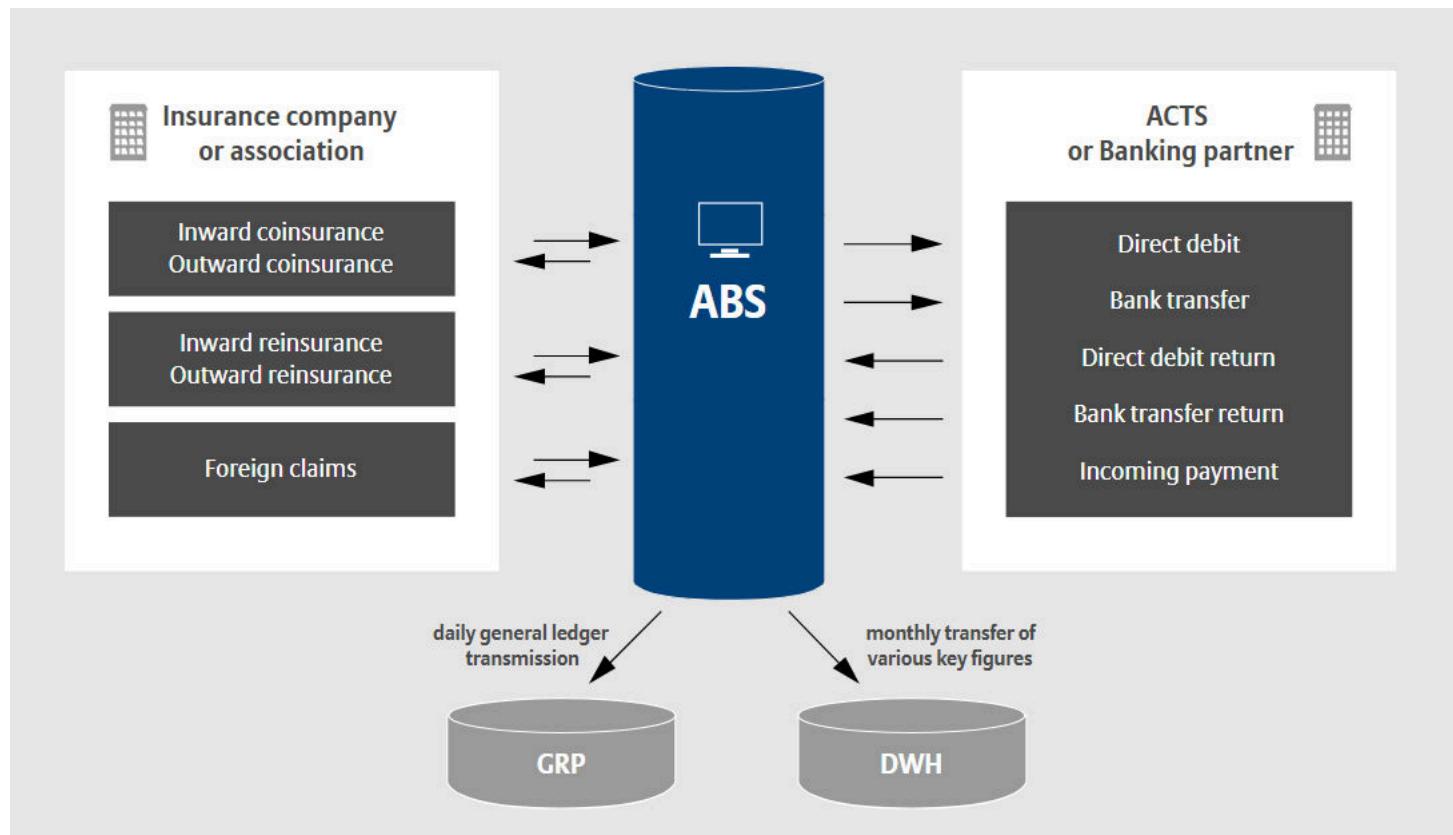
The majority of collection and disbursement processes are completed by batch.



Each batch process depends on a particular interface. The collection and disbursement component offers interfaces to general ledger, to data warehouse, to banking partners, to the Allianz Cash and Treasury System (ACTS) and to customer-specific components (e.g. third-party commissions).

There is a difference between interface as a process and interface as data structure. ABS core has batch processes like outgoing payment, incoming payment, direct debit, etc. These batches either fill (outgoing) or read (incoming) data from data structures (in fact tables in ABS) which we will call interfaces. Interfaces as a process however are used in order to fill (incoming) or read (outgoing) the data from the interface tables as well.

The following diagram gives an overview of the interfaces in the subledger. They are described more in detail in the following chapters.





Definitions

Batch

ACTS

Interfaces to ACTS or banking partner

Interfaces



Three main interfaces handle incoming transactions:

1. Incoming payment
2. Direct debit return
3. Bank transfer return

Information **incoming** from bank partners or ACTS to ABS



There are various interfaces to banks: batch processes use different payment interfaces depending on the type of transaction.

The ABS Core customers can use these interfaces for their own files to or from their bank partner or they can use two standardized ABS interfaces to and from ACTS. ACTS establishes the connection to the bank partners. The use of other interfaces, such as cashed cheque returns or recurring credit card payments, also happens in a similar way.

Two main interfaces handle outgoing transactions

1. Direct debit
2. Bank transfer

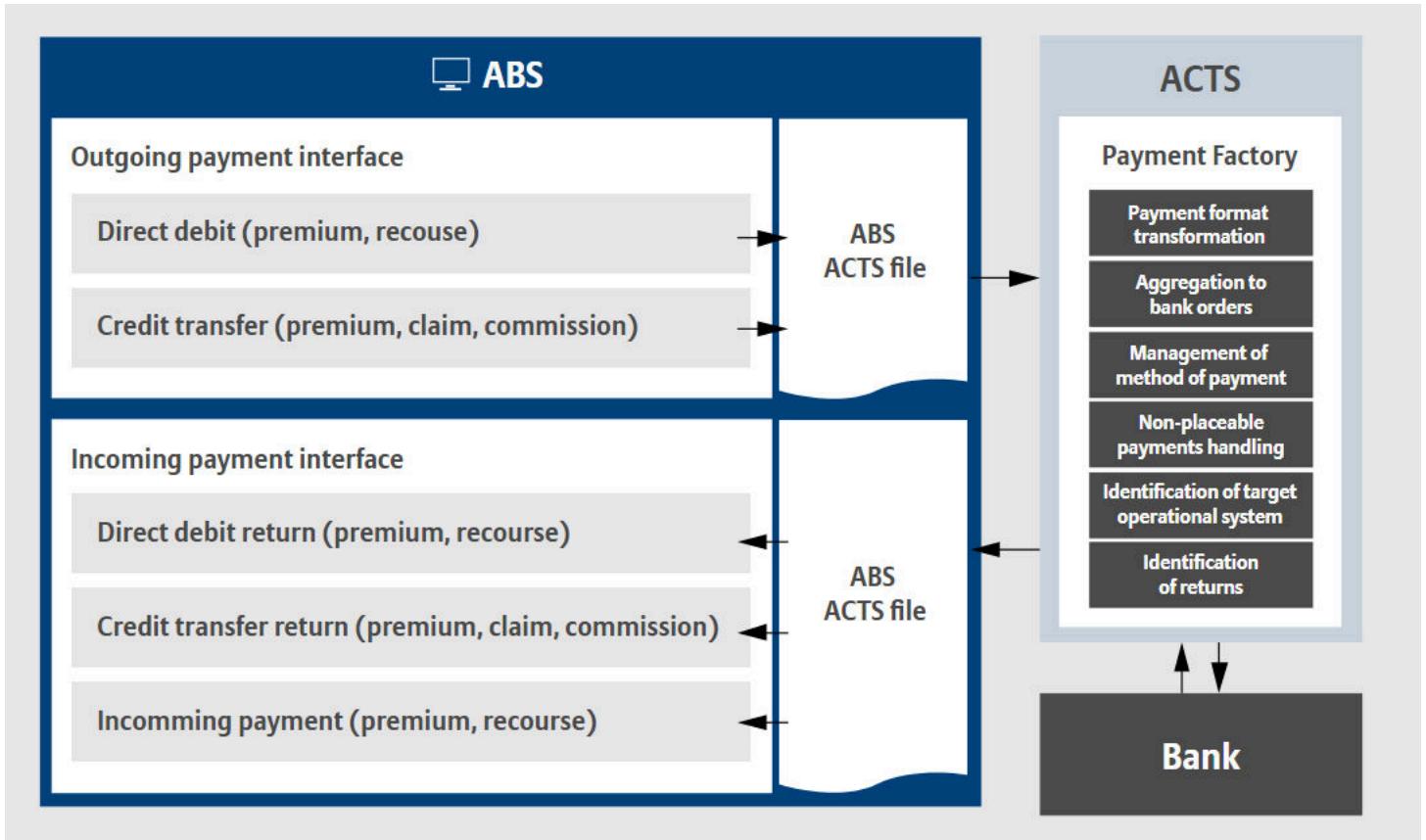
Information **outgoing** from ABS to the bank partners or ACTS

The outgoing payment interface sends information to ABS ACTS File. From the ABS ACTS File, data reaches the ACTS payment factory.

In the ACTS payment factory, the following operations are available:

- | | |
|--|---|
| <ul style="list-style-type: none">• Payment format transformation• Aggregation of bank orders• Management of payment methods | <ul style="list-style-type: none">• Non-ABS related payment handling• Identification of target operational system (e.g. ABS)• Identification of returns |
|--|---|

The results of these operations are sent to the ABS ACTS file. The received data goes to the incoming payment interface.

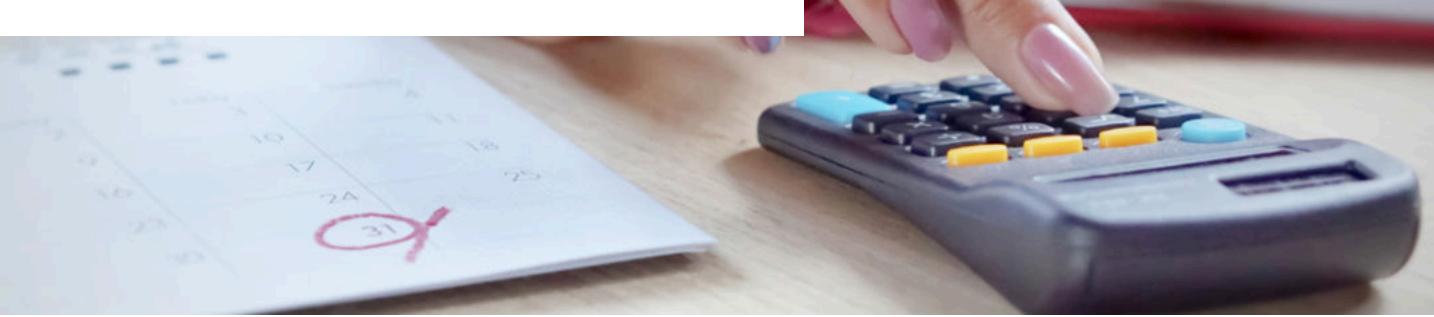


Definitions

ACTS

Interface to General Ledger

Interfaces



i

The general ledger interface is used to transfer financial data to general ledger on a daily basis.

The preferred general ledger system in Allianz group is SAP. GRP (Global Reporting Platform) is Allianz standard system to support data transfer between feeder systems (e.g. ABS) and SAP.



Definitions

Global Reporting Platform

Interface to Data Warehouse

Interfaces



The ABS data warehouse interface consists of a set of tables created by a collection and disbursement batch.

It holds aggregated and enriched information about premium, commission and claims. The information held by the interface awaits further processing in the data warehouse (e.g. SAS).

Interface to Insurance Companies

Interfaces



i

There is also a number of interfaces for the data exchange between ABS and other insurance companies.

This is necessary for coinsurance settlements and for foreign claim settlements. Finally there is also an interface for the reinsurance settlement.



Knowledge Check

Name at least two incoming payment interfaces.

ABS handles incoming payments via the following interfaces: incoming payments interface, bank transfer return interface and direct debit return interface.

Name at least two outgoing payment interfaces.

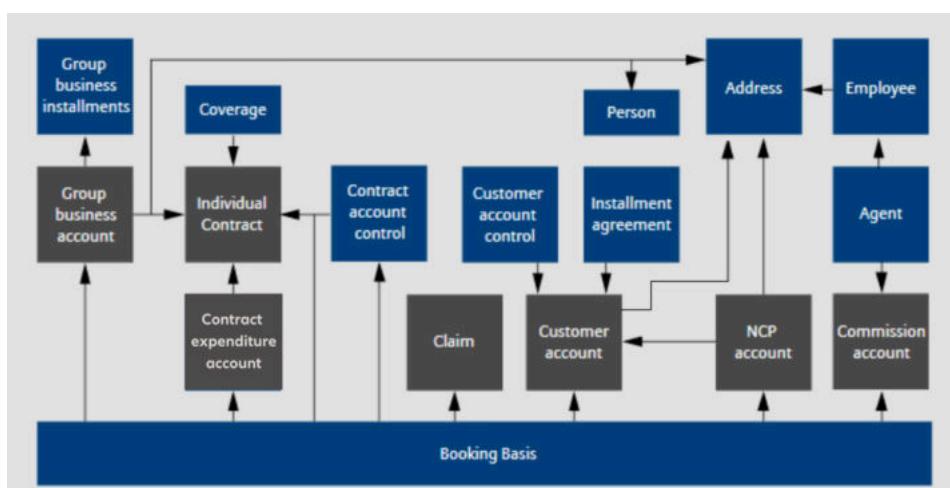
ABS handles outgoing payments via the following interfaces: bank transfer interface, direct debit interface and digital payments interface.

Booking Basis

Data Model



Booking and booking basis: A booking - also known as a posting entry - represents a financial transaction in ABS system. A booking basis holds the most important information about a booking. It is also linked to further entities holding extra information.



The diagram describes the account types (e.g. customer account, NCP account) to which a booking can be created and some of the further entities linked to the accounts (e.g. party, address).

These are the most relevant attributes of the booking basis:

- Booking date, i.e. date of creation
- Booking period
- Credit or debit flag indicating the type of account
- Amount; is always positive
- Booking type (e.g. Invoicing via payment order, bank transfer)
- Amount type (e.g. premium, compensation, commission)



Definitions

[Booking](#)

[Booking Basis](#)

[Commission](#)

Booking Basis Related Entities

Data Model

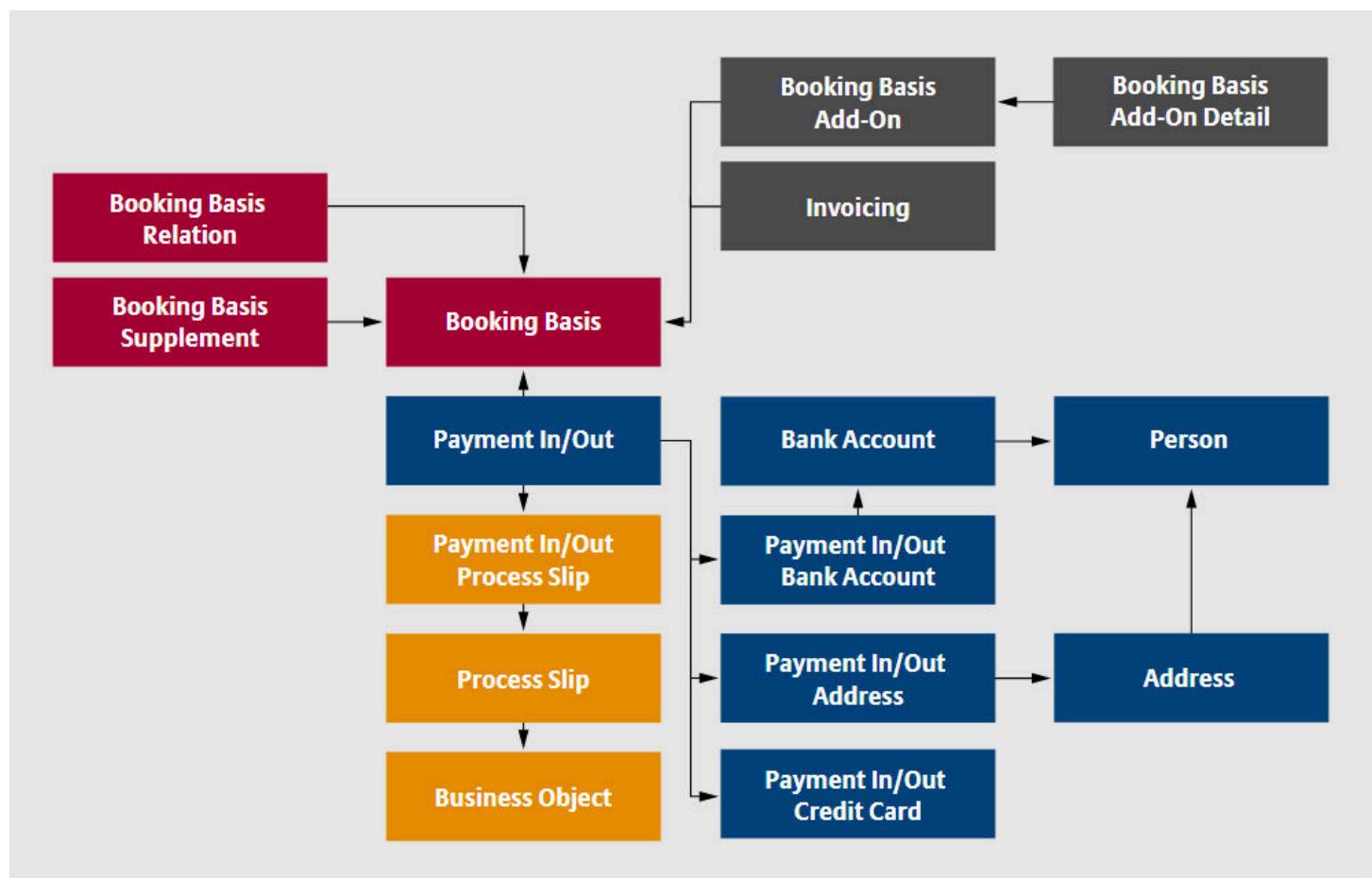


i

Alongside the booking basis, further entities detail the transaction. Which entities are used depends on the transaction type. This is because a premium invoice requires different attributes than a bank transfer payment, and so on.

These are the most important entities for collection and disbursement

Blue entities are payment related, black entities are invoice related, orange entities are payment escalations, and red entities are general details.



! Incoming payment, bank transfer and rebooking are different booking types.

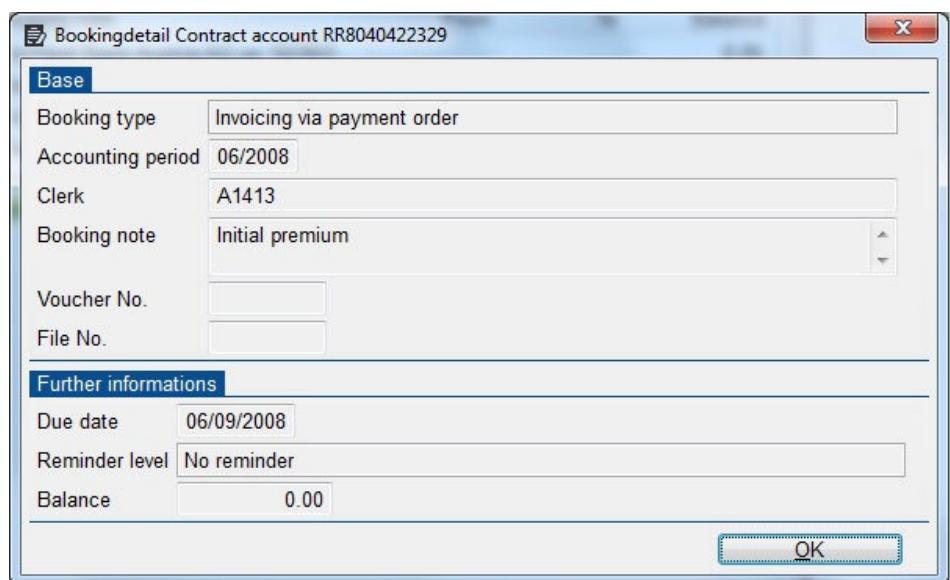
In general, a claim booking or a payment booking are always related to payment in/out. These bookings carry, for example, the value date and the status of the payment (i.e. paid-off, retained).

A premium invoice is always related to an invoice holding due date and reminder state. A premium booking is detailed by the booking

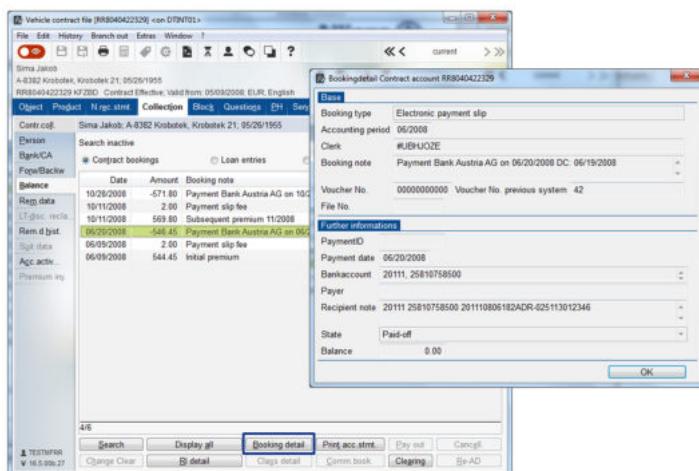
basis add-on. The booking basis add-on shows class detail, start date, end date, and the amount type (e.g.: net premium or tax).

Examples of Booking Basis

Checkout the slides.



- This is an example of a booking basis for an invoice. The information displayed is derived from the booking basis and from the invoicing.



- This is an example of a booking basis detail for cash. The information displayed is derived from the booking basis and from the Payment In/Out.



Definitions

Claim

Booking Basis Relations

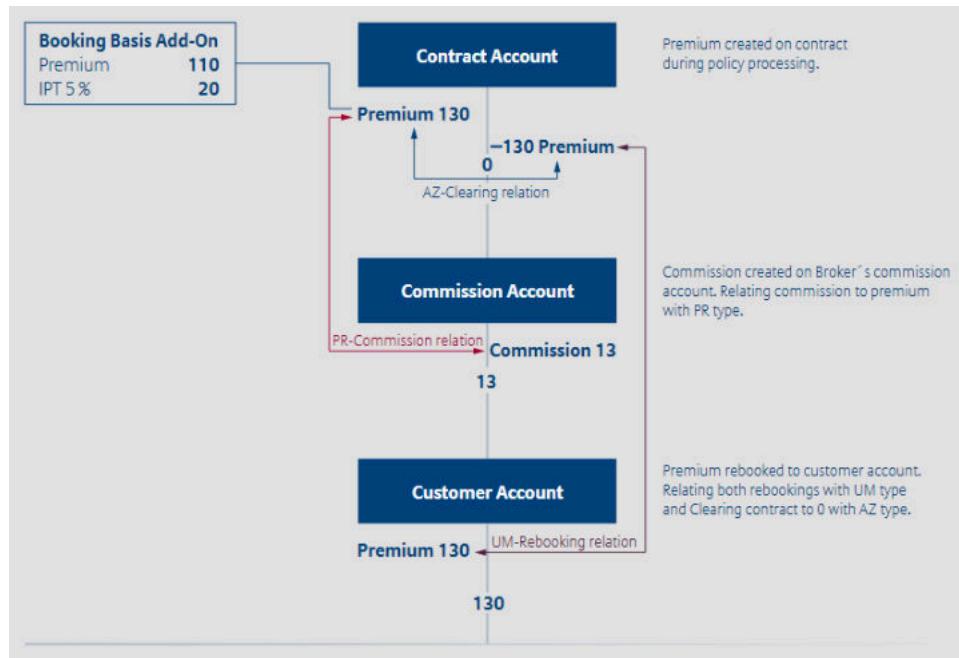
Data Model



i

Booking basis tables are interconnected, further expanding the information recorded in the booking basis. This is important to allow clearing. On a contract account, invoices are related to payments via a clearing relation.

Another example of booking basis relations is a premium invoice related to a commission accrual that was pro-rated alongside with the premium. They are linked by using a commission relation.



There are various relation types, such as commission, rebooking, or clearing

- The relation commission is created between the premium booking and the commission booking. In this manner, the system documents the basis for the commission calculation (i.e. the premium) and ensures the availability of data for online viewing and reporting purposes. The relation can be experienced on the contract account balance when using the button "commission". The following menu displays all commission transactions linked to the selected premium booking.
- The relation rebooking links two rebooked bookings. By doing so, ABS links documents to the source booking and the target booking. This connection balances both accounts immediately. This relation is shown in the booking detail, where the contract account is stated.
- The relation clearing is created in contract and on some types of customer account only. By linking the debit (e.g. premium invoice) to the credit (e.g. payment or premium refund) booking, this relation type is used to document the balancing of the business accounts in detail. The clearing relation can be seen on the contract and customer account balance, when using the button "Clearing"

Examples of Booking Relations

Commission bookings										
policy sequence number: RR8040422329										
Class	Agent No.	Comm.type	Forw/Backw	from	to	IM	CCB	Amount	Role	Comm.amo...
KFZHP	6528636	1st subsequent co...	Forward proj...	05/09/20...	10/31/20...	06	JPN	126.75	H	12.67
Class-Sum										
KFZKK	6528636	1st subsequent co...	Forward proj...	05/09/20...	10/31/20...	06	JPN	226.65	H	22.66
Class-Sum										
Total-Sum										
35.33										

- In this premium invoice detail, commission relations are displayed.

Clearing - account					
Date	Amount	Booking note	From	To	
06/20/2008	546.45	Payment Bank Austria AG on 06/20/2008 DC: 06/...			
Cleared					
Date	Amount	Booking note	From	To	Class
06/09/2008	544.45	Initial premium	05/09/2008	10/31/2008	544.45
06/09/2008	2.00	Payment slip fee			2.00
Clearing note					
OK Clearing					

- In this premium invoice detail, the clearing relation is shown.

ABS Business Accounts

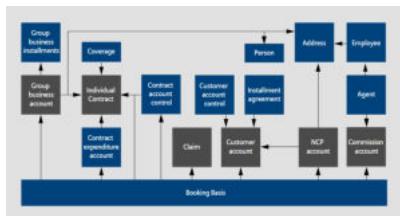
Data Model



i

To understand how information on financial transaction is stored in ABS, the data model is of great interest.

- In ABS, business accounts can be represented by the business object, as is the case in contract and claim. Or they can exist in close relationship with the business object, as is the case in contract, with the contract expenditure account, and in person, with the customer account, commission account, etc.
- ABS business accounts also represent the subledger accounts and are closely integrated in ABS processes. As a result of these processes, ABS business accounts contain all financial transactions on policy (e.g.: commission, claim) level. When transferred to the general ledger, the information is aggregated to show total earned premium (e.g.: claim cost, commission cost).
- The ABS business account itself has the master data (e.g. main class, insured sum). In some cases, the master data is accompanied by additional tables. These tables support the management of installments or control the reminder process.
- The financial transactions are stored in a separate table: the booking basis table. Each entry in the table booking basis refers to its unique ABS business account.



Each booking basis carries the primary key for its ABS business account as a foreign key. The type of business account is indicated in debit or credit flag (e.g. N stands for NCP account). Knowing this, the respective account and its transactions can be easily joined.



Knowledge Check

What is a booking?

A booking represents a financial transaction in ABS system.

What is a booking basis?

A booking basis holds the most important information about a booking.

Which are the most important attributes of a booking basis?

Booking date, accounting period, credit or debit flag indicating the type of account, amount, booking type and amount type are the most important attributes of a booking basis.



Definitions

[Customer Account](#)

[Contract](#)

[Business Account](#)

[Business Object](#)

[Contract Expenditure Account](#)

[Customer Account](#)

[Commission Account](#)

[Sub Ledger](#)

[Table](#)

Premium Invoicing Process

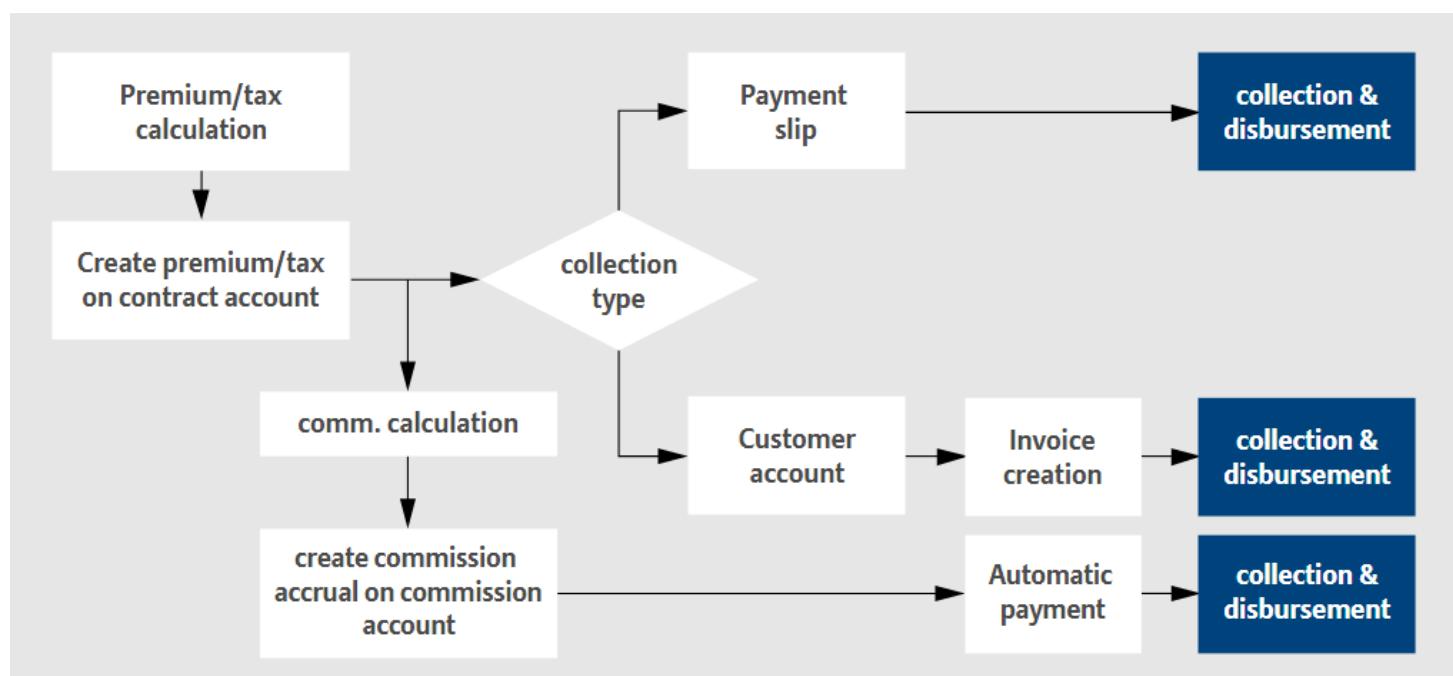
Invoicing Process



i

The handling of the premium invoicing is done in accordance to the collection settings of the given contract.

In the below scheme, the process is shown for the collection type payment slip and customer account.



Click on the boxes below and get more information ABS terms

Contract Account

Where premium is generated.

This premium is pro-rated according to the payment frequency set on the contract.

Commission Account

Where a commission is generated.

The commission is a certain percentage of the net premium calculated by commission calculation.

Customer Account

Where premiums and commissions are invoiced.

Used to group invoice multiple contracts. The invoice frequency does not need to follow the contract frequency

Invoice

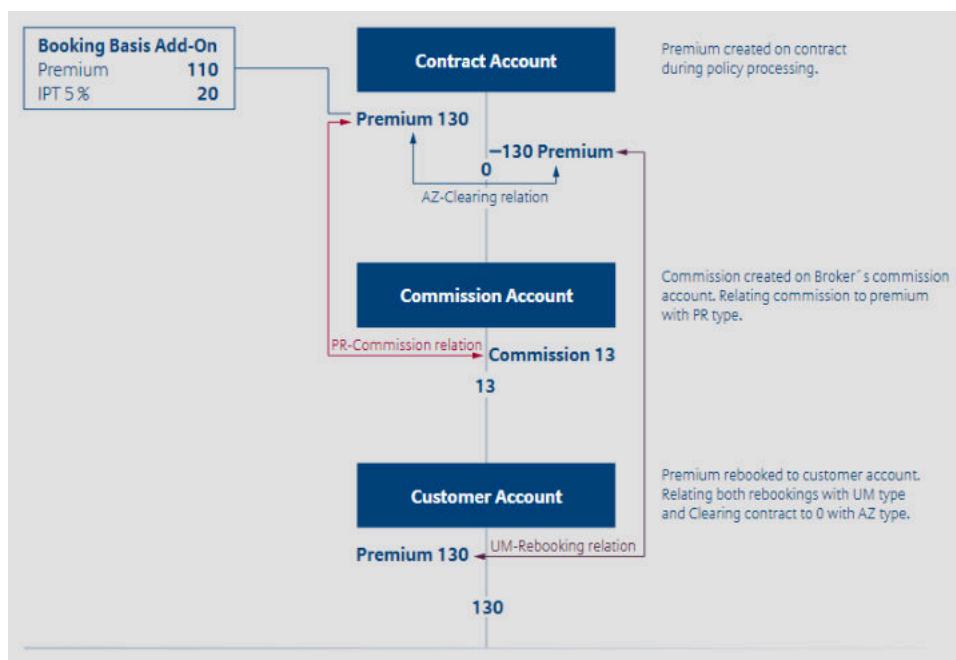
An invoice contains one or more open premiums.

ABS creates an incremented invoice number, which is used only for clearing purposes, i.e. allocating the incoming payment to a correct premium.

Transfer to General Ledger

Premium, commission and taxes generated in ABS are transferred to general ledger on a daily basis.

- Depending on the collection settings of a contract, ABS runs specific batch processes to collect outstanding premium. For example, if a contract has direct debit as its collection type, the premium is cleared on the payment due date. This happens independent of the success of the actual direct debit payment.
- A failed direct debit causes a direct debit return. The collection and disbursement component books the direct debit return sent by the banking partner or by ACTS to the relevant contract. This booking changes the collection type of the contract from direct debit to payment slip. This change reopens the invoice and causes the contract to wait for clearing once again.
- The system clears the contract collected via the customer account by rebooking the amounts in the course of policy processing.



Collection and disbursement settings influence the premium invoicing process and cause it to vary slightly. Two settings are of importance here: collection type and business account type – in particular the subtypes of the customer account.



Definitions

Contract

Collection Type

Payment Slip

Customer Account

Batch

ACTS

Booking

Variations of the Premium Invoicing Process

per Collection Type

Invoicing Process



i

These are the different types of variations of the premium invoicing process per collection type

Variations in the premium collection process for payment order

When contracts have payment order as their chosen collection type, the premium remains open until incoming cash is allocated either via the incoming cash interface or from the NCP account. If no payment is received, the reminder batch takes care of the unsettled balance.

Variations in the premium invoicing process for direct debit

When contracts have direct debit as their chosen collection type, the premium awaits on the contract until the due date. On the due date, the direct debit batch sends payment instructions to the bank and collects the money from the indicated bank account. If the direct debit is refused or fails, the bank sends a direct debit return to the ABS system. The direct debit return is automatically allocated to the contract, reopening the balance and setting the collection type to payment order.

Variations in the premium collection process for credit card

When contracts use credit card as their collection type, it is assumed that the token was gathered through an authorization process (in a portal or online) and is now used to collect each recurring premium. The recurring credit card payments are created by collection and disbursement in the subledger task of the monthly subsequence run. The credit card payment instructions are sent to the payment service provider using the outgoing payment interface of ABS.

Variations in the premium collection process for customer account

When contracts have customer account as their chosen collection type, the premium is immediately rebooked and the contract is balanced to zero.



Definitions

Contract

Collection Type

Direct Debit

Customer Account

Credit Card

Variations of the Collection Process per Subtypes of Customer Account

Invoicing Process



The subtype of customer account influences the time at which the rebooking takes place.

Variations in the premium collection process for private customer account

This customer account is configurable based on the company configuration data.

Customers are only allowed to have one private customer account at a time. Direct debit is the only way to collect debits in a customer account. In case of a direct debit return, the account is immediately closed. All open invoices are transferred back to the original contract. As a consequence, there are no reminders for this variant of private customer accounts.

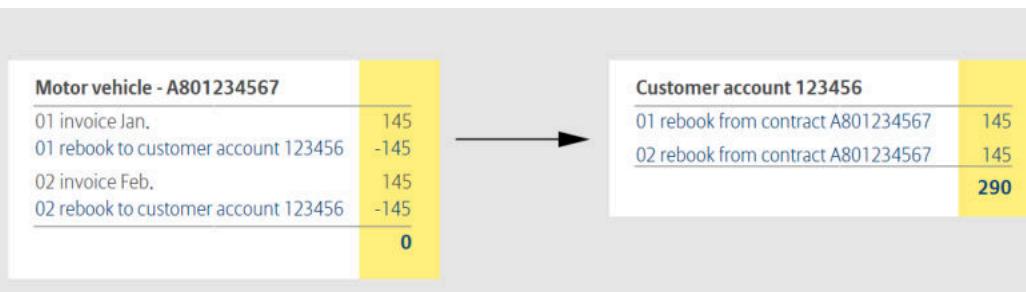
There are other possible configurations of customer account. Private customer accounts might, for example, be configured to allow legal persons (e.g.: small companies) to use payment slip as their preferred collection type. In such instances, a direct debit return does not trigger the immediate closing of the business account nor the reminder run based on open premium invoices.

Variations in the premium collection process for installment settlement customer account

This customer account variant is used by corporate customers with a large number of single contracts. Installment settlement customer accounts allow the calculation of the total annual premiums and their manual division in up to 12 installments a year. Insurance agents have the freedom to negotiate any individual installment with the policy holder. The installment settlement customer account has a two-level reminder run. This two-level reminder run checks for open and due installments. The installment settlement customer account is also accompanied by a work list. This work list warns insurance agents about changes to the annual premium and their consequences, i.e. the need for manual changes to be applied to the negotiated installments.

Variations in the premium collection process for collective settlement customer account

Collective settlement customer accounts have no installments. Here, the total of the rebooked premium is due at the beginning of the settlement period. This account type has a single level reminder. This single level reminder checks the account balance.



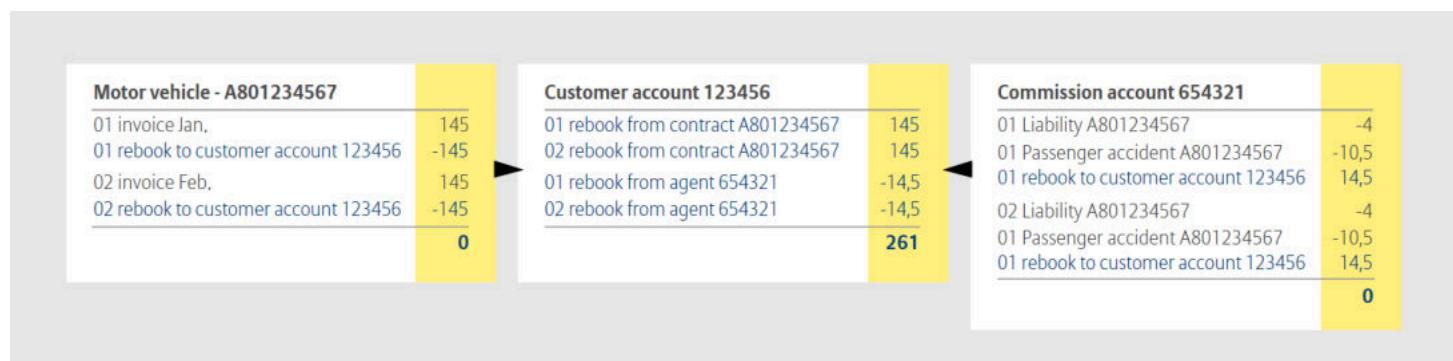
Variations in the collection process for business partner customer account

Business partner customer account are the most flexible subtype of customer account. As such, this subtype of customer account is used in various scenarios. A specific attribute controls the functionalities available for business partner customer account.

Variations in the collection process for business partner customer account

Business partner customer accounts are similar to collective settlement customer accounts. However, business partner customer accounts allows for net commission with premium. This is interesting for the following scenario: when a partner collects the premium from the policy holder and retains the commission earned before paying the net amount to the insurance company. Here, there is no clearing of the debits and credits. A business partner customer account works like a current account and shows only the outstanding amount in the account balance.

A particular payment method on an associated commission account allows the automatic rebooking of the commission to the relevant customer account. Outstanding premium is netted with commission; net amount of received cash is balanced.



Variations in the collection process for business partner customer account with invoice

The business partner customer account for sales partners with invoice offers almost the same functionality as the business partner customer account for sales partner without invoice. The distinct feature here is an additional invoice run. The invoice run gathers ungrouped rebooked premiums and rebooked commissions periodically.

Each invoice run carries a unique invoice number. The invoice number is used as reference for the allocation of incoming payments done by the partner. Outgoing payments are only possible if a credit invoice item exists. This subtype of customer account offers additional invoice related functions, e.g. view open invoices, manual clearing correction for invoices, create new invoice manually, cancel uncleared invoice and manually clear open invoices with open credit invoices.

The invoice or credit invoice item does not influence the customer account balance. It is used to group rebookings and to clear incoming and outgoing cash.



Variations in the premium collection process for business partner customer account for payment service providers

Business partner customer account for payment service providers is indirectly used in contract collection. This customer account is used together with the collection type credit card for recurring and non-recurring payments. If the payments are received on contract or recourse, the incoming cash is immediately booked to the business partner customer account for payment service providers.

The payment service provider sends in the bulked cash for the credit card transaction of a previous period and deducts the disagio (i.e.: transaction fee) based on the contractual agreement. In parallel, the payment service provider sends in a report with each financial instruction settled. These movements are uploaded to the customer account. There, they are cleared with the rebooked cash bearing the same reference number.

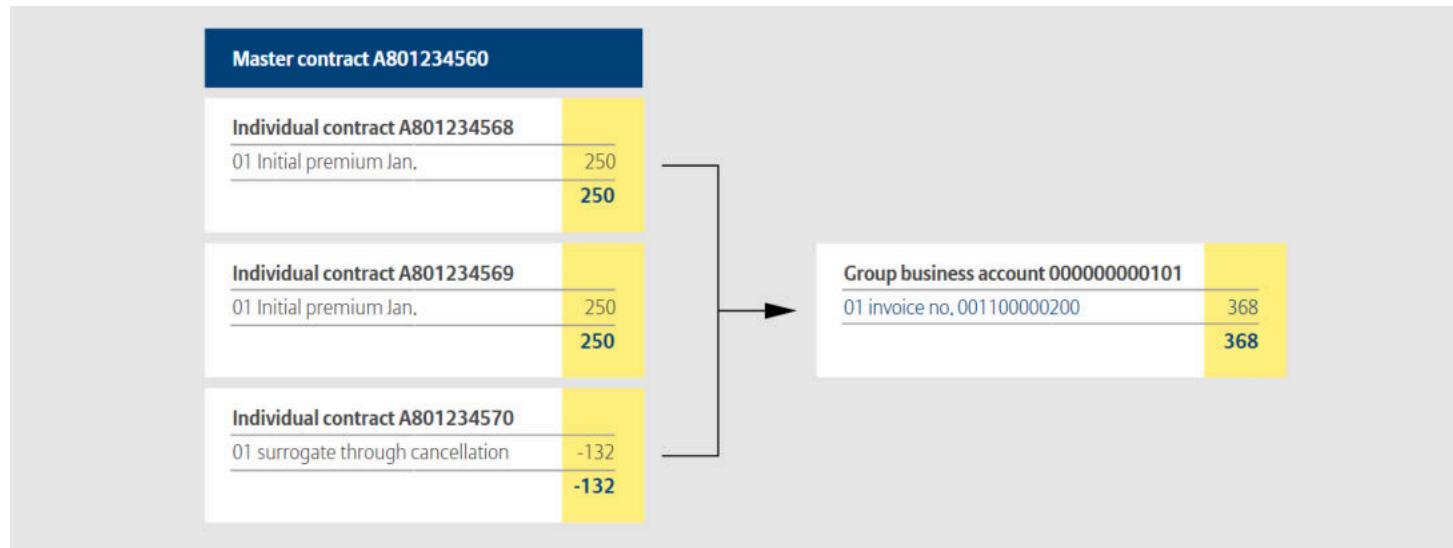
This customer account features additional search criteria: for example, the masked credit card number, transaction ID, token and reference number. The balance screen can be filtered to show cleared or uncleared items and gives the clerk an overview on settled and unsettled items.

Variations in the collection process for group business account

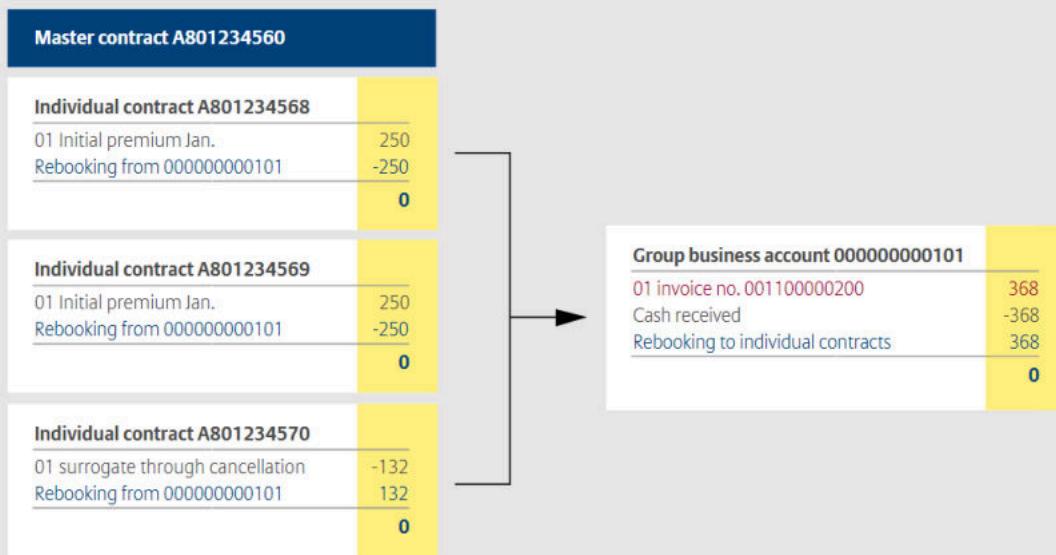
This account is used in group business and supports several settlement procedures with varied functionality, as follows: cycle, installment and contract settlement.

Cycle

If using cycle as preferred settlement procedure on group business account, the periodical invoice run flags open transactions on single contract level without rebooking them. Invoices on group business accounts are directly linked to the open invoice items on the individual contracts.

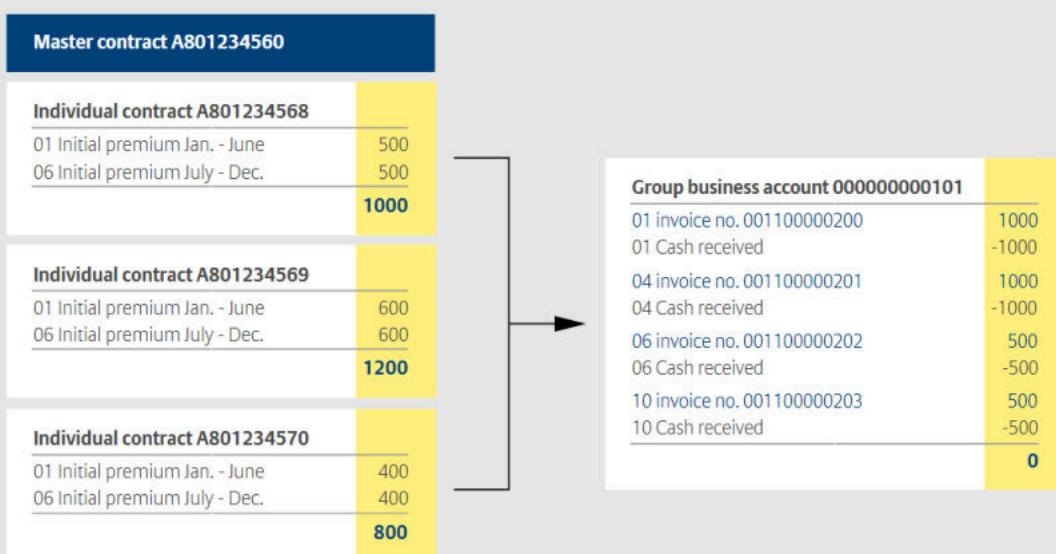


Once the invoice is settled fully or partially (e.g.: by using the split payment screen), the received cash is rebooked to the individual contract. This movement then balances the open premium on individual contract. The settlement procedure cycle comes with additional features, e.g. restructuring of open invoices, balancing of open invoices and payment split (allocating partial payments).

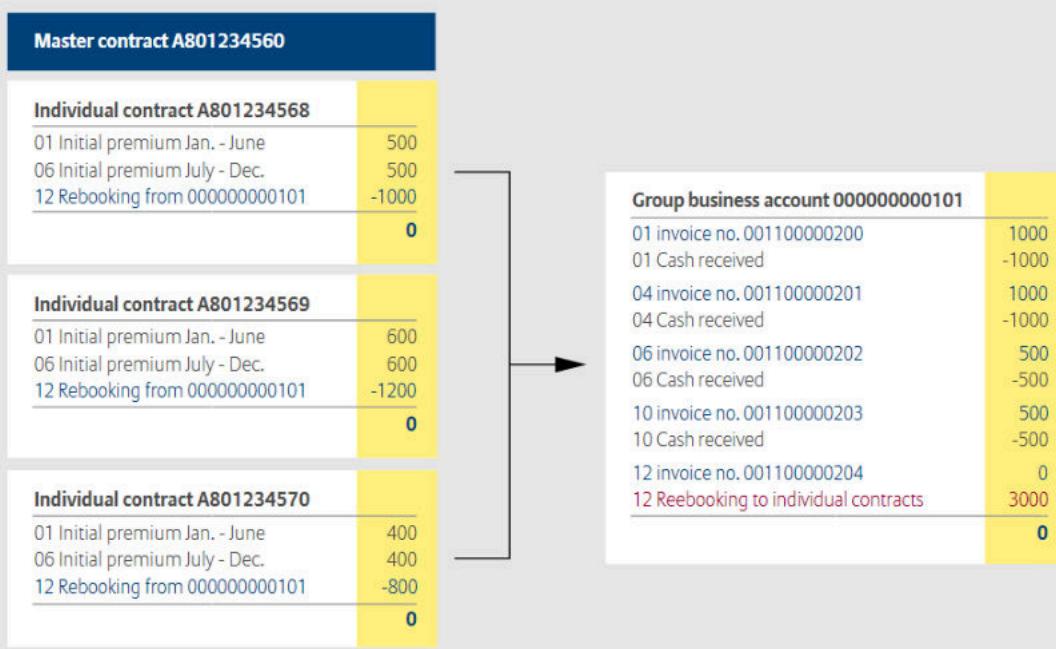


Installment

Installments drive at maximum 12 regular invoices per year. These invoices can be setup individually. To do so, insurance agents use a specific installment screen. This screen shows the total annual premium of all linked individual contracts. The invoiced installment can be paid throughout the year; there are no consequences to the individual contract.



At the end of the instalment period, a closing invoice settles all open premiums against the received cash. Then, balances the individual contracts if cleared to zero. It is important to keep in mind that if using this type of settlement procedure, the balances of each individual contract stay open during the full installment period as cash received is kept on group business account until the closing invoice is cleared to zero.



Contract settlement

Contract settlement is based on a customer specific aggregation and rebooking run. The aggregation and rebooking run rebooks all open items on individual contract to the group business account.

From a functional point of view this settlement procedure contains an additional process step. Within this step the group receives a list of open items and agrees to have them invoiced. This way the group decides which items are invoiced and only those are then aggregated and rebooked to group business account.

This is quite similar to the solution seen in the business partner customer account with Invoice. This customer specific program groups and rebooks due open items - that have been agreed with the group in a customer specific process beforehand - from individual contract to group business account.

Master contract A801234560		
Individual contract A801234568		
01 Initial premium Jan.	250	
01 Rebooking from 000000000101	-250	
	0	
Individual contract A801234569		
01 Initial premium Jan.	250	
01 Rebooking from 000000000101	-250	
	0	
Individual contract A801234570		
01 surrogate through cancellation	-132	
01 Rebooking from 000000000101	132	
	0	

Group business account 000000000101	
Rebooking from individual contracts	368
01 invoice no. 001100000200	0
	368

Once the invoice is created and paid, the cash does not need to be rebooked back to the individual contracts. This settlement procedure offers an additional type of clearing that links the cash with the aggregated and rebooked invoice item. This is extraordinary as in general the cash only clears the invoice (and not the invoice items as well). This additional clearing is visible in the clearing details on the group business partner account balance screen.

The invoice for this settlement procedure does not influence the balance of the group business account. This behavior is the same seen on business partner customer account with invoice.

Master contract A801234560		
Individual contract A801234568		
01 Initial premium Jan.	250	
01 Rebooking from 000000000101	-250	
	0	
Individual contract A801234569		
01 Initial premium Jan.	250	
01 Rebooking from 000000000101	-250	
	0	
Individual contract A801234570		
01 surrogate through cancellation	-132	
01 Rebooking from 000000000101	132	
	0	

Group business account 000000000101	
01 Rebooking from individual contracts	368
01 invoice no. 001100000200	0
01 Cash received	-386
	0



Definitions

Commission

Automatic Clearing

Clearing Process



i

The clearing process is important to find out if a certain insured risk in a certain time period is covered or not. This question is answered by the automatic clearing process on the ABS contract account that relates invoices to payments and vice versa.

The automatic clearing process on a contract account is triggered any time a new premium related transaction (credit or debit) is booked. If the contract account is credited, ABS searches all open debit transactions. Debit movements are ordered by due date and invoice type. Older premium invoices have a higher priority than a payment slip fee with the same due date.



The following rules apply:

1. All premium-related bookings on the contract account are subject to clearing
2. Premium and payment transactions are sorted by due date; the oldest open booking clears first
3. Automatic clearing uses a sequential clearing order. Premiums are cleared first. Due fees are cleared second. Then, not yet due premiums. At last, not yet due fees (e.g.: annual fees) are cleared

In general, contract clearing is about matching payments to invoices and vice-versa. However, it is possible to configure ABS in such a way that the contract clearing is enabled to match invoices on class level with payments and vice-versa. In order to understand this, it is important to remember that the invoice in ABS is detailed by the booking basis add-on. The booking basis add-on shows invoice details on class and on amount type levels.

In the majority of cases, the insurance product is bundled to suit market practice. That means, for example, that the January invoice for a certain motor vehicle insurance contract contains the cover for any liability and the cover in case of passenger accident. Both classes might also be subject to taxes or surcharges, which add up to the total January invoice. If clearing on class level applies, a partial payment ought to be linked to a certain class first (ideally covering the risk, the tax and the surcharges that are documented in the booking basis add-on). The priority of the classes and whether class clearing applies are determined in the company's configuration data.

! **Financial transactions related to loan, premium redemption or a contract expenditure account are not subject to automatic clearing.**



Definitions

Contract

Clearing Correction

Clearing Process



The automatic clearing process is sufficient in most cases. However, there are scenarios in which the result of the automatic clearing needs to be corrected by the clerk.



Correcting clearing when policy holder covers multiple insurance contracts with one payment transfer

A policy holder pays several insurance policies with one transfer. In this case, the payment reference might be misinterpreted, causing the full amount to be allocated to one rather than split among several contract accounts. Depending on how many open invoices exist on that one contract, the received incoming cash is automatically cleared against them – including the not yet due invoices. To correct the cash allocation, the clerk uses the clearing correction functionality and reallocates partial amounts to other contracts.

Conrad Smith transfers 177 Euros to Allianz to pay for his premium for January. Even though he indicates the policy numbers of his life and his motor vehicle insurance in the payment reference, the allocation algorithm from ABS misinterprets the information. The misinterpretation leads to the full amount being allocated to the motor vehicle insurance contract.

Before	Motor vehicle	
	01 invoice Jan.	145
	02 invoice Feb.	145
	02 cash received	-177
		133

Household	
01 invoice Jan.	32
02 invoice Feb.	32
64	

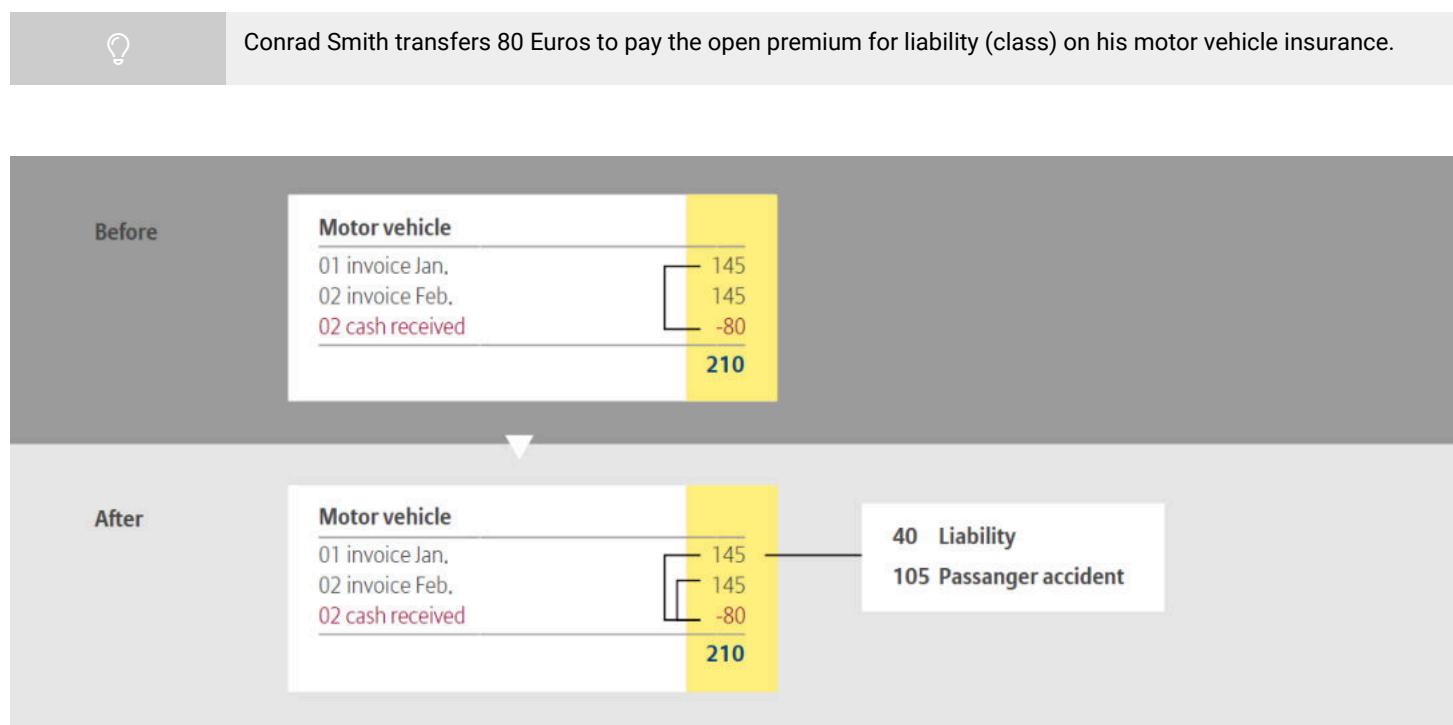
After	Motor vehicle	
01 invoice Jan,		145
02 invoice Feb,		145
02 cash received		-177
02 corr, rebook		32
		145

Household	
01 invoice Jan.	32
02 invoice Feb,	32
02 corr, rebook	-32
	32

Clearing correction in cases of class clearing

This scenario is only applicable if class clearing is active. In this case, the received incoming cash covers the premium of one and the compulsory risks of multiple insurance contracts. Even if the policy holder indicates the numbers of the contracts in the payment reference, it is unlikely for the allocation algorithm in ABS to read it correctly.

If the destination contract shows more than one open invoice containing compulsory and non-compulsory risks, the clerk uses clearing correction functionality and reallocates the cash amount.



The monthly premium of Conrad Smith's motor vehicle insurance consists of liability (40 EUR) and passenger accident (105 EUR). He transfers 80 EUR to pay the open premium for the liability class for January (40 EUR) and February (40 EUR).

The ABS allocation algorithm automatically allocates the full amount to January open premium. After the clearing correction, the 80 EUR payment is correctly allocated only for the liability class (January and February).

Aside from the contract account, the clearing correction functionality is also available for business partner customer accounts with invoice.

Definitions

Policy Holder

Contract Account

Daily Batch Process

Batch Process



i

The various batch runs in collection and disbursement are triggered upon system request. These automatic processes handle invoices, payments (e.g. incoming and outgoing payments) and account reminders etc. Some batch processes run continuously (e.g. claims post-processing, policy processing). Others run at intervals, i.e. daily, weekly or monthly.

Incoming payment

Incoming payments enter the ABS system in a digital format, i.e. by the data carrier. Data carriers contain information about the cash influx in the insurance company's premium bank account. ACTS or the banking partner is the one sending these details daily. A customer-specific program reads and interprets the data carriers, placing the registered amounts in the ABS incoming payment interface. Each morning, the incoming payments stored in the interface are booked to individual contracts and other ABS business accounts. If the business account can't be found or is locked, the payment is booked to NCP account.

Direct debit return

When a direct debit is rejected (e.g. due to incorrect IBAN or insufficient funds), the banking partner or ACTS returns a data carrier with the failed orders. A customer-specific program reads the returned data carrier and places the instructions into the ABS Core payment interface. The direct debit returns are usually linked to the original direct debit order. ABS books the direct debit returns either to contracts or other ABS business accounts. These bookings increase the balances and – on contract account – re-open the invoices. Depending on company configuration, account type and the reason for the return, ABS Core initiates follow-up activities. Among such activities are the change of collection type from direct debit to payment slip, a print impulse to create a letter to the policy holder, etc.

Bank transfer return

Banks and ACTS return failed payments to ABS daily. Such exchanges use specific data carriers, which are, in turn, interpreted by customer-specific modules. Customer-specific modules place each transaction into the ABS core payment interface. Then, the ABS core searches for the relevant business account and the original transfer. Bank transfer returns usually belong to failed claim payments or premium refunds. Once the batch run places the bank transfer return to the business account, the account balance is updated. The batch run also creates a process slip to inform the clerk about the failed claim payment. Depending on the return reason (e.g. IBAN incorrect, recipient unknown or deceased) the payment details of the recipient have to be updated and a new bank transfer has to be initiated.

Direct debit

If contracts or other business accounts use direct debit as their collection type, the ABS Core creates the data carrier containing the instructions for direct debit. These data carriers reach the bank at the end of each day. They trigger the collection of the due amount from the policy holder's bank account. However, amounts below a certain threshold are not debited. ABS Core groups and collects them with the next premium invoice instead. Even though the amount due is not immediately credited to the insurance company's bank account, the invoiced premium on the contract account is cleared on the very same day.

Bank transfer

Bank transfer is the most common payment method for outgoing payments. In contract, this operation is, in any case, only possible if the contract is in credit. Contract credits can appear following amendments (e.g. cancellation, exclusion of product components) or result from duplicate payments and wrongly allocated cash. To pay these credits, insurance agents and clerks can either manually create a bank transfer booking or allow the credit to be paid automatically after the successful processing of a policy.

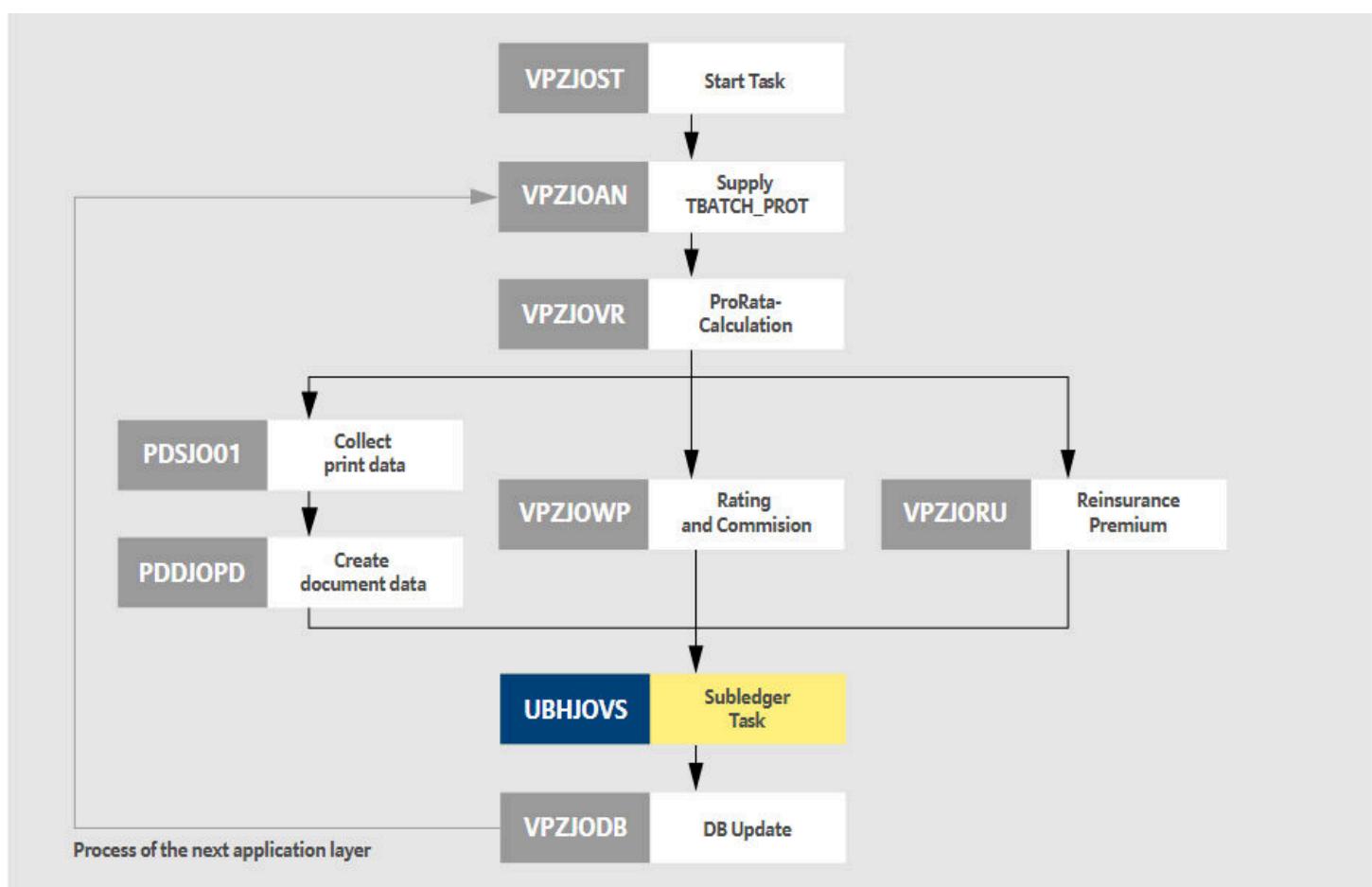


The policy holder might pay their due before their contract is constituted. If he or she does a payment during the application phase, the incoming cash is booked to the non-classifiable payment (NCP) account. As soon as the policy processing ends and the contract is constituted, the pre-payment is automatically rebooked to the contract. This rebooking balances the initial premium.

Premium invoicing

The subledger task (SBL) takes over premium and commission bookings calculated during policy processing. SBL posts the calculated premium and commission bookings to the particular collection settings and relevant business accounts. SBL completes each booking, i.e. sets up the booking relations and takes care of currency conversions, and updates the balances of the business accounts.

Below is an overview of the batches running during policy processing (technical names provided with short description):



The Subledger Task (SBL) is a module of the collection and disbursement component. It follows policy processing in the batch run chain. This task reads the bookings from the internal interface and adds more details to the register, such as the booking relations.

Verification of coverage

The verification of coverage investigates contract accounts. This batch run marks the contracts that lost their coverage. The non-payment of one or more premium invoices is the most common reason for lost coverage. As soon as a policy holder misses a payment, the coverage flag in his or her contract is set to "no". Once a payment covers the total amount of the outstanding premium, the coverage flag is reset to "yes". The coverage flag and the date that goes with it are very important: they are checked by the claim component to verify premium-based coverage.

Customer information

The customer information batch creates accompanying letters for the policies. The insurance agent sends the letters and the policy document to the policy holder upon contract constitution or after amendment. Payment slip, account statements and reminder letters are among the available printouts.

Transfer to general ledger

Bookings document all financial transactions completed via ABS. The ABS general ledger interface houses most bookings. Exceptions are the ones relating to coinsurance and funds transactions – these have their own interfaces. Starting from the general ledger, customers read and classify financial transactions as business events (e.g.: premium invoicing, premium cancellation, commission increase). Those business events are enriched with a certain set of dimensions, such as insurance class and risk country. They are aggregated in general ledger, posted to the balance sheet and to the profit & loss accounts (e.g. direct written premium).

Booking and transfer work lists

The booking work list documents the bookings done to business accounts during the course of a day. ABS summarizes automatic bookings. It also displays manual bookings individually, organizing them by their booking voucher. The transfer work list functions as a trace documentation of all transfers completed on the course of a day.

Booking checks

This batch checks the balance variation of various business accounts. It cross-checks the bookings sums with the balance variation in the business accounts.



Insurance agents can separately de-activate an automatic disbursement of premium refund for each policy processing. To do so, after completing the contract amendment, check the box to stop automatic premium refund. The amount then goes to premium credit work list where it can be paid out manually.



When Conrad Smith asks for a cancellation of cover and expects an immediate premium refund via bank transfer, Janet Pennysworth accesses the contract, and simply completes the amendment. The credit amount will be automatic disbursed to the indicated bank account informed by Mr. Smith.



Definitions

[The Subledger Task](#)

[ACTS](#)

[Batch](#)

[Contract](#)

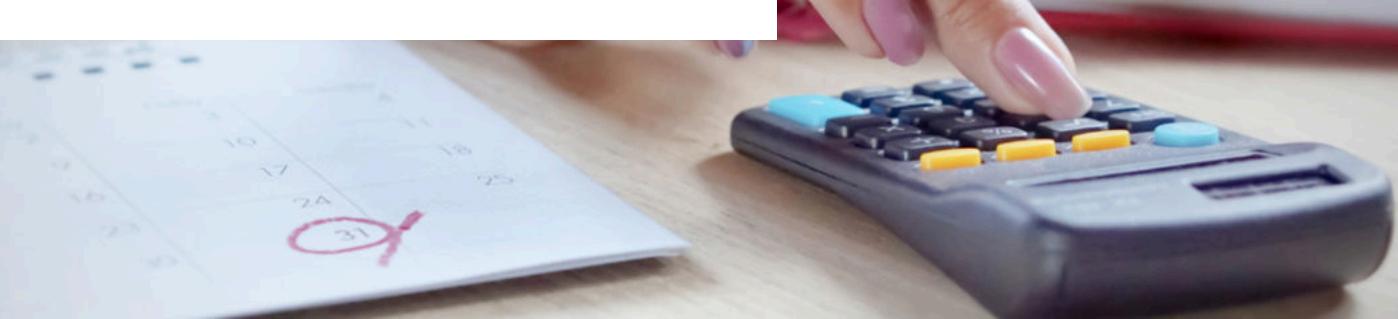
[Booking](#)

[Product](#)

[Business Account](#)

Weekly Batch Process

Batch Process



i

Weekly Batch Processes consist mostly of reminders to the customers to pay outstanding premium.

Contract reminder

As a rule of thumb, the contract reminder is a weekly batch run. It controls contracts for open balances and invoicing. Upon finding an outstanding premium, the contract reminder run uses a flexible, multi-level process to create payment reminders. The contract reminder batch also adds special fees and generates documents, such as an agent notification.

During system configuration, reminder levels, time limits and fees are initially set up with the aid of the reminder control card. The configuration is interpreted by the reminder batch, which, in turn, triggers further activities. Insurance agents can also configure individual reminder levels, time limits and fees via the reminder control statement.

Explore this configuration set-up for contract reminder!
Click into the fields and get more information about the settings.

Company	Mainclass	Product	Initial or subsequent	Reminder level	Time limit reminder level	Reminder fee				
*	KB	*	3	E	4	1	5	-28 Days	6	7
*	KB	*		E		2		-28 Days		11
*	KB	*		F		1		-42 Days		7
*	KB	*		F		2		-21 Days		11
*	KB	*				3		-56 Days		
1	KB	KFZBD		E		1		-28 Days		8
*	KB	KFZBD		E		2		-28 Days		12
2	KB	KFZBD		F		1		-42 Days		8
*	KB	KFZBD		F		2		-21 Days		12
*	KB	KFZBD				3		-35 Days		
*	*	*		E		1		28 Days		7
*	*	*		E		2		-28 Days		11
*	*	*		F		1		-42 Days		7
*	*	*		F		2		-21 Days		11
*	*	*				3		-35 Days		

1

KB

Main insurance classes (e.g.: Motor, Life, etc.) are listed during system set up. Insurance agents can use the class codes in the system to search for data.

KFZBD

2

Different Reminder Levels might be set up per insurance product.

3

E = Initial Premium

4

1. Depending on the Reminder type, different actions take place. Reminder Level 1 is a friendly reminder about the missing payment. In Allianz Austria, this reminder is sent past due date.
2. Depending on the Reminder type, different actions take place. Reminder Level 2 prompts the policy holder to immediately pay his or her invoice. In Allianz Austria, this reminder is sent past due date.
3. Depending on the Reminder type actions take place. Reminder Level 3 warns the policy holder about a lawsuit being filed against him or her. At this stage, coverage is no longer given.

5

Times and limits of each stage are set up during system configuration. Reminders Level 2 are sent 28 days after Reminder Level 1. Insurance agents can choose to suspend the Reminder Batch for a period of time. If the insurance agent is already negotiating the debt restructuring with his or her customer, he or she can pause Reminder runs for the particular Account.

6

The issuing of each Reminder type is associated with a fee. The fees are automatically booked.

! Individual contracts require a collection type payment slip to be picked up by a contract reminder run.

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When a contract is in reminder stage, the information is shown on specific screens in the ABS contract file.

Reminders on other types of ABS business account work in a similar, though less flexible, way. These runs are:

- **Customer account with installment agreement:** the two-level reminder run is based on due and open installments.
- **Customer account with collective settlement:** the single-level reminder run is based on the open balance of the account.
- **Customer account for business partners with invoice:** this type of customer account features a reminder run based on the balance and due date of open invoices. In a similar fashion to contract, the customer account for business partner with invoice has a flexible, multi-level process to create reminders. You can use the reminder control statement to configure this batch run according to the reminder scheme that is indicated on the customer account level. The reminder scheme may differ for each customer account.
- **Customer account for private customer:** a private customer account can be configured to allow collection via payment slip. If this variant is used, a specific reminder run for private customer accounts checks for open, due invoices on the customer account and set the reminder level accordingly.
- **Group business account:** similar to the reminder run for business partner customer account with invoice, the group business account also has its own reminder. The reminder checks the open balance and due date of each open invoice available. The run is flexible and allows specific configuration depending on the reminder scheme. The reminder scheme can differ for each group.

! Some groups shall only receive a friendly reminder on their open invoices. Other groups shall have a three-level reminder run covering the friendly reminder, 1st reminder and 2nd reminder. To allow this setup, two different reminder schemes are created in the reminder control statement, linked to the appropriate group business accounts and indicated in the reminder control card.

Transfer to payroll accounting

Transfer to payroll accounting handles commission payments to the insurance agents. The chosen payment method is salary with quota to a commission account. When the commission is transferred, the account is balanced accordingly.



Definitions

Collection Type

Payment Slip

Customer Account

Collective Settlement

Group Business

Group Business Account

Monthly Batch Process

Batch Process



i

Monthly Batch Processes.

Subsequent invoicing

Premium invoicing for the initial or amendment premium is done through policy processing. Contracts with a duration of more than one year are invoiced based on the payment frequency and main renewal date. This monthly batch run checks for the payment frequency (e.g. monthly, quarterly etc.) and calculates the premium by dividing annual gross premium by payment frequency (e.g. 4 if quarterly or 12 if monthly) and generates a premium invoice booking for affected contracts. If the affected contract has direct debit as its chosen collection type, the invoicing booking is picked up and sent to the ABS core payment interface when reaching its due date. If the contract has a customer account as its chosen collection type, the invoicing is rebooked to the respective customer account instead.

Here is an overview of the functionality provided by the subsequent run:

Data Overview		Liability policy issued on 09.12.2013 Effective inception date 01.01.2014 Main renewal date 01/01		Annual inventory premium gross 60,24 Monthly debit transfer Partial premium gross 5,02	
Policy batch		Subsequence Feb.	Subsequence Mar.	Subsequence Apr.	Subsequence May
		1.1. 5,02 Initial premium	1.2. 5,02 Subsequent premium Feb.	1.3. 5,02 Subsequent premium Mar.	1.4. 5,02 Subsequent premium Apr
					1.5. 5,02 Subsequent premium May
Creation date	Amount	Note From To Balance	From	To	Balance
26.03.2014	-5,02	Direct debit 01.04.2014			0,00
08.03.2014	5,02	Subsequent premium 04.2014	01.04.2014	30.04.2014	5,02
25.02.2014	-5,02	Direct debit 03.03.2014			0,00
08.02.2014	5,02	Subsequent premium 03.2014	01.03.2014	30.03.2014	5,02
28.01.2014	-5,02	Direct debit 03.02.2014			0,00
11.01.2014	5,02	Subsequent premium 02.2014	01.02.2014	28.02.2014	5,02
21.12.2013	-5,02	Direct debit 07.01.2014			0,00
09.12.2013	5,02	Initial premium	01.01.2014	31.01.2014	5,02

Customer information

ABS creates data (so-called impulse data sets) on a monthly basis for diverse printouts, e.g. for account statements or installment letters of customer accounts. Based on this, the customer-specific batches create the country-specific printouts

Monthly and year-end closing

Monthly closing batch and year-end closing batch calculate the sums of premium intake (turnover), claim payments and paid commissions. The values can be further used in general ledger or in data warehouse. In addition, these batch runs create lists (e.g.: overview of customer account balances, overview on premium due on contract) that support the accounting department in their closing activities.

List and inventories for evaluation

Once a month, list and inventories for evaluation (e.g.: accounts receivables lists, balance receivables) determine the receivables relevant for the balance sheet. It uses the current contract inventory for the shortlisting. The recipients of this batch are the accounting department and the data warehouse.

Inwards co-insurance

Inwards co-insurance: ABS Core customers can upload premiums, claim and commissions from inwards co-insurance into the ABS co-insurance interface. Once they do so, a batch run can process them. This batch creates the uploaded premium in credit, thus allowing Allianz to trace the premium's origin back to the third-party insurance company. The uploaded premium is also quality-checked via another batch run. This subsequent batch run uses information from the contract to calculate the expected uploaded premium from the third-party insurance company. It then saves the calculated amounts in debit. A third batch run compares the values saved in debit and credit. If divergences exist, the system requests to manually check the procedure. The delta amounts must be aligned with the third-party insurance company and manually booked in the ABS booking file at a later date.



Batch runs per business object

The following are monthly batch runs for commission:

1. **Commission note:** the end of each month prompts the creation of commission notes for agents and brokers
2. **Commission reallocation and rebooking (automatic team settlement):** depending on the payment method selected in the commission account, commission is subject for reallocation or rebooking. Various methods exist to support this reallocation. In some variants only the balance of the commission account is rebooked to the team's commission account or to the agent's commission outgoing payment account. In other configuration settings, each commission item is reallocated one by one.
3. **Automatic commission payment:** this monthly batch run pays out the balance of all commission accounts using payment method bank transfer

Insurance agents usually receive their commission as part of their salary. ABS core offers an interface to payroll accounting. The interface to payroll accounting connects commission accounts and uses the payment method salary with quota.

The following are monthly batch runs for claim:

1. **Recourse invoicing (including direct debit):** recurring recourses can be settled in three different ways. They might wait for incoming payments, be rebooked from a customer account or collected using direct debit. If rebooking from a customer account is chosen as an order type, the rebooking is created during recourse post-processing. If direct debit applies, the due date controls the day when the payment is sent to the ABS payment interfaces and handed over to the bank.

2. **Annuity payment:** the annuity payment is closely related to the claim. The annuity payment batch runs monthly. It respects details on the annuity agreement regarding frequency and annuity recipient, disbursing the agreed annuity. Additionally, this batch run adjusts the claim's provision and the total amount of compensation paid.
3. **Settlement of foreign claims:** foreign insurance companies ought to settle claims where their citizens are involved. However, depending on the terms of the agreement on mutual support for settlement between Allianz and foreign insurance companies, foreign claims are settled first between the local insurance company and the injured person. In a later stage, this amount is settled between the local and the foreign insurance company. To ensure smooth operations, Allianz and the foreign insurance company exchange data carriers containing compensation payments on a monthly basis. The amount to be collected from the foreign insurance company is registered using the recourse on the claim.



Let us look at an example:

A German citizen has a car accident while driving through the Austrian alps. Because of this, the Austrian insurance company compensates the injured party and later claims it back from the German insurance company. The same applies the other way round, i.e. if an Austrian citizen has an accident in a foreign country.



Definitions

Commission

Commission Account

Inwards Co-Insurance

Introduction

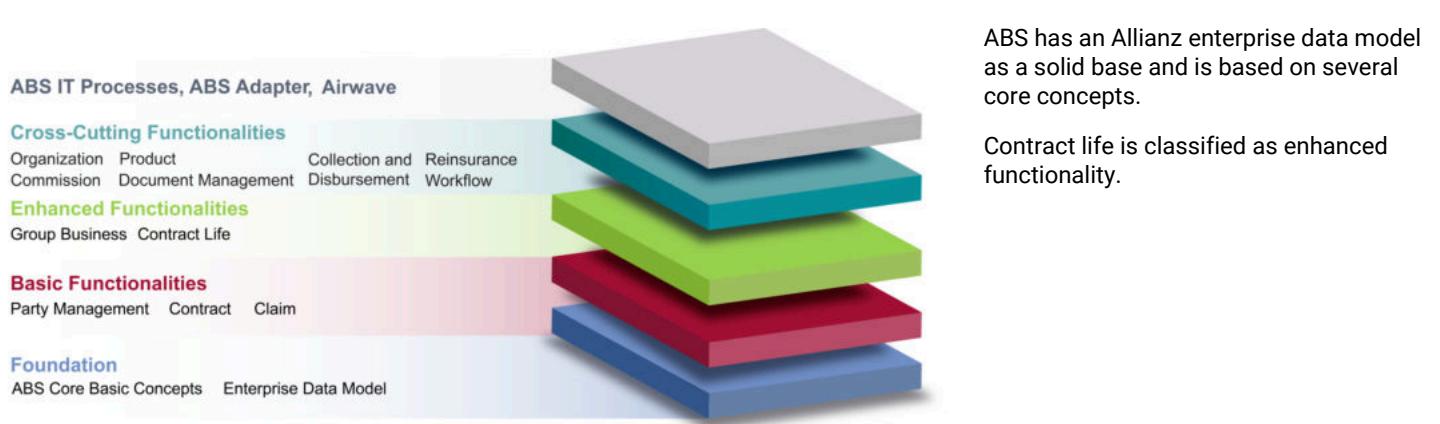
Introduction



i

Classification of contract life

The life contract is based on the general contract file and uses many contract functionalities.



ABS has an Allianz enterprise data model as a solid base and is based on several core concepts.

Life Insurance: Definition and Subdivisions

Life Insurance: Definition and Subdivisions



A **life insurance** is a contract between an insurance company (insurer) and a policyholder in which the insurer guarantees payment of benefits to named beneficiaries when the agreed risk (death, survival, occupational disability, etc.) has occurred to the insured person.

The insurance company promises a benefit (also known as "sum assured" or "covered amount") in exchange for premiums paid by the policyholder.



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A life insurance can be viewed as a back-up plan for life.

Life insurance in its simplest form means being prepared financially, come what may. It ensures that the defined beneficiaries receive financial support in case the insured person is subject to the contractual agreed risks (maybe due to an accident, retirement, or untimely demise) and therefore not able to bring in the needed income.

Life insurance premiums can either be a regular (level) payments or a single time payment (non-recurring payment). The benefit payment of the Life insurance is either a lump-sum payment (one-time payment) or an annuity (regular payments, e.g. monthly).

Examples of most common life coverages are:

- Death (demise or accidental death).
- Longevity (endowment).
- Occupational disability.
- General disability.
- Occurrence of an illness (illness in general, should not be mixed up with health insurance).

Almost every person can be insured in a Life insurance, however, there are certain exceptions due to pre-existing illnesses and conditions, high-risk sports, occupational risks and age limits. The risk assessment depends on the concrete product types of course.

Restrictions of insurability and/or the insurance coverage are mostly a result of the following:

- Health condition.
- Age (calculation of entry age).
- Specific risk-relevant sports.
- Special occupational risks.
- Smokers/non-smokers.
- Foreign nationality (outside EU).

Consequences of such restrictions are as follows:

- **Risk surcharges:** They can be specified in per mil of the sum insured based on the health condition of the insured person or high-risks, e.g. in the case of special risks like risk-relevant sports.
- **Exclusion clauses:** There can be an exclusion in the disability benefits subject to the health condition of the insured person.
- **Benefit restrictions:** For example, if a pre-defined age is exceeded, this type of life insurance will not be concluded for the applicant.
- **Rejections:** Due to health reasons or if the insured person is not ready to undergo a medical examination, the issuance of a life insurance contract can be rejected completely.

A life insurance typically consists of a primary insurance - describing the type of product the policyholder bought - and may include additional supplementary insurances to increase the insurance protection



Main (or Primary) Insurance

The main (or primary) insurance is the central component of a life contract and describes the type of product bought by the policyholder. It can be separated into risk and savings insurances.

For risk insurance, a non-recurring payment is made in the case of a demise; there is no benefit payout after the expiration of the insurance period.

Concerning savings insurance, these types accumulate a cash value and can have a risk cover; payment of saved cash amount occurs at the maturity when the insured person has not died during the insurance period.

Example: Term-Life, Endowment insurance, etc.



Supplementary Insurance

A supplementary (also additional insurance) can only be concluded as an addition to the main insurance and cannot exist individually in a contract, hence it exists only as long as the primary insurance to which it is linked to.

Example: Occupational disability, general disability, accident insurance, accident (death or invalidity), dread disease, etc.



Definitions

Life Insurance

Types of Main Life insurances

Types of Main Life Insurances



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Many different types of life insurances are available to meet all sorts of needs and preferences of the policyholders. You will find an overview of the types of life insurances and the most important points in the upcoming cards.



Therefore, based on the needs of a person he or she may decide for a different type of contract.

ABS supports basically all types of products/tariffs and the listed types are the most common ones. So even some specific product types are not mentioned in the below sections ABS will almost all of them support without any necessary enhancements.

Needs that can be met are:

- What will happen to the family financially after the head of the family dies?
- How will the spouse and children take care of their expenses after the head of the family dies?
- How is the family cared for if the head of the family loses his job after an accident?
- How to ensure that the family is able to fund their children's higher education?
- How to ensure an income after the retirement?

The following are types of main life insurances:

- Risk Insurances/Pure Life Insurances
- Endowment insurance - Endowment and Term Life
- Pure Endowment insurance
- Annuity insurance
- Unit-Linked Life insurance
- Term-fix insurance



Definitions

[Endowment Insurance](#)

[Term Life](#)

[Unit-Linked Life](#)

Risk Insurances/Pure Life Insurances

Types of main life insurances



i

Risk insurances basically cover the death of an insured person: within a pre agreement time period (the so-called term life Insurance) or provide a cover for the whole life (the so-called whole life insurance).

■

Term Life Insurance is a type of life insurance that guarantees payment of a stated death benefit if the covered person dies during a specified term. Once the term expires, the policyholder can either renew it for another term, or allow the policy to terminate.

- Term Life is one of the most popular life insurances. It covers the demise of the insured person only during the insurance period. Term life benefits are paid as soon as the insured person dies. However, if his or her death occurs after the contracted insurance period, no benefits are paid. Consequently, in term life, there is no capital paid out at the end of the period.

- When a person buys a term life insurance policy, the insurance company determines the premiums based on the insured sum as well as the age and health of the insured person. Depending on the amount of sum assured and the age of the person, a medical exam may be required. The insurance company may also inquire about current medications, smoking status, occupation, hobbies, and foreign residences.

Insurance companies might offer several variations of Term Life. Among those variations are:

- **Constant means:** an agreed fixed sum is insured over a defined contract period.
- **Joint life:** there are term life insurance with two insured persons, when the first insured person dies the agreed benefit is granted to the beneficiaries- There are also variants where the benefit is paid when both insured persons have died.

- **Decreasing means:** the insured sum decreases over time. For example, banks typically want their borrowers to protect against a death-related credit default when taking a loan at the bank. Since the amount of outstanding loan decreases based on the paybacks from the borrower a decreasing term life insurance is used quite commonly. The sum insured of the term life decreases on a linear basis and has no direct relationship with the paybacks on the loan. So the amounts may drift apart. Credit protection insurances are term life based tariffs which have their own process implemented where the outstanding loan amount is synchronized with the sum insured. Thus the sum insured of those contracts changes every month.

Let us see an example:



Conrad takes out a loan in order to acquire a new car. The bank granting the loan wants to have the security that, when he dies, it will get the outstanding loan amount back. Therefore, the broker advises to cover the risk of death with a term Life insurance that is pledged to the loan.



Whole Life Insurance guarantees payment of a death benefit to beneficiaries in exchange for level, regularly due premium payments. The contract includes a savings portion, the so-called "cash value," alongside the death benefit.

- Growing cash value is an essential component of whole life insurance.
- Whole life insurance lasts for a insured person lifetime, as opposed to term life insurance, which is only for a specific amount of years. Whole life insurance is paid out to a beneficiary or beneficiaries upon the insured person's death.
- Whole life insurance pays a death benefit, but also has a savings component in which cash can build up. The policy holder can access the cash while alive, by either withdrawing or borrowing against it, when needed.



Definitions

[Life Insurance](#)

[Term Life](#)

[Insured Person](#)

[Contract](#)

[Whole Life](#)

Endowment Insurance

Types of main life insurances



An endowment insurance couples a term life insurance with a savings product. It covers the demise of the insured person during the insurance period and, in addition to the term Life insurance.

It also offers an endowment benefit at the end of the contractual period. Based on the monthly contributions, a certain payout, called an endowment, is guaranteed when the policy matures. Therefore it promises a risk-free, guaranteed benefit on a guaranteed date as long as the regular premium is paid. An endowment insurance can be used for several reasons of protection, the most common ones are to achieve specific savings goals on a defined point in time or as a retirement arrangement. In the last case, there are options agreed to receive the endowment as a lump sum payment or as regular/annuity payments.



Each paid premium is split into three parts:

- Savings
- Risk
- Cost

The amount designated as the savings part is used to finance the guaranteed insured sum.

The risk premium covers the sum at risk during the contractual period. The interest rate for the premium calculation of an endowment insurance is guaranteed.

In contrast, the savings part of the unit-linked insurance is invested

in funds and therefore more volatile but also has the potential for higher yields. The cost part of premium on the other hand is covering the administrative and acquisition costs.

Insurance companies might offer several variations of endowment Life insurances. Among those variations are:

Joint Life Insurance

Sometimes also called as Partner Insurance. There are two insured persons, who are the basis for the risk evaluation and calculation of the premiums.

When one of them dies, the beneficiaries (typically the remaining person) receives the death benefit. If none of them dies, payment is due at the maturity of the contract.

Profit Allocation

Since there is a fixed interest rate for the premium calculation and the insurance company typically has investment gains based on the premiums earned, insurance companies are obliged to share the investment gains with the policyholders. This is called profit allocation, each contract receives annually a profit share which is based on the guaranteed interest rate, the allocated gains, the risk benefit, etc. Some variants are investing those profit shares into funds - so there is the option to combine a traditional endowment product with funds allocation.

Surrender Value

As characteristic for saving products, endowment insurances offer a surrender value. In case of a premature cancellation of the endowment insurance, the surrender value will be the monetary amount accrued on the contract (deducted by a surrender charge) that the insurance company pays out to the beneficiaries.

An endowment insurance is suitable for the accumulation of assets with the added protection of a Life insurance. A single capital payment or an opt-in annuity is offered as a conversion option at the end of the contractual period (lump-sum or annuity).



Definitions

[Endowment Insurance](#)

[The Pure Endowment](#)

[Life Insurance](#)

Pure Endowment Insurance

Types of main life insurances



The Pure Endowment insurance is a savings product but without a risk part. The insurance company pays out the sum insured and the earned interest with a share of the profits (bonuses) at the end of the contract.

The pure endowment insurance is analogous to the endowment life insurance but it is not coupled with a risk part as compared to the endowment insurance. As a result, the insured benefit is a pure endowment payment at the end of the contractual period.

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Insurance companies might offer several variations of Pure Endowment insurance. Among those variations are:

- **Surrender Value:** similar to the endowment product also the pure endowment products offer a surrender value.
- **Premium Refund:** A premium refund is possible in the case of death, where the accrued premiums are paid out to the beneficiaries. The values must be defined in the associated insurance rates.

A pure endowment insurance is suitable for the accumulation of assets without covering the risk of death.

Pure endowment products are an alternative for insured persons who are not eligible to endowment insurances, e.g. due to the age or poor health or risk-related ineligibilities. Hence, as for endowment products, there is also a lump sum payment or annuity.



Definitions

[Endowment Insurance](#)

[The Pure Endowment](#)

[Life Insurance](#)

Annuity Insurance

Types of main life insurances



An **Annuity insurance** is designed to accumulate a cash value, and upon annuitization, create a stream of income and payments. The main idea of an annuity is to create after a deferment period regular payments for a predefined benefit period.

It is also possible to gather the cash value at maturity but due to the characteristics of an annuity this is not the preferred variant. An annuity insurance is an appropriate financial product for those looking for a secure retirement income.

Consequently, annuity insurances can be purchased to provide an income during retirement. The payment stream from the insurer to the beneficiary has a predefined (fixed benefit period) or unknown duration (life long benefit period), conditional on the date of death of the insured person. At this point, the contract will terminate and the remainder of the accumulated cash value is forfeited unless there is a guarantee period or a refund to the beneficiaries agreed.

Insurance companies might offer several variations of annuity insurances. Among those variations are:

- **Immediate annuities:** The annuity payments are paid immediately arrears, for example, after the first month of the contract inception. This leads to an immediate income after a short period of time. Such annuity agreements are usually utilized after retirements, where a policyholder enters a contractual agreement by paying a lump-sum to secure a fixed income for the rest of his life.
- **Deferred annuities:** In these cases, the annuity payments are paid out after a certain savings period where the capital accumulation occurs. This type of annuity contract is typically used as a retirement arrangement and planned many years upfront to secure a fixed income after a certain age.
- **Surrender Value or Premium Refund:** In case of demise during the deferment period, the cash value of the paid premiums will be refunded to the beneficiaries. Lifelong or temporary annuity payment: Depending on the terms and conditions of the annuity insurance, a lifelong or a temporary payment stream for a fixed period can be stipulated at the maturity of the contract.
- **Guarantee period in the case of a Claim:** If a insured person dies during an agreed guaranteed period for the annuity (e.g. 15 years), the beneficiaries will receive the outstanding annuities for the rest of the period.
- **Regular level premium and single premium payments.**

Let us look into an example:



Conrad approaches Janet and inquires about suitable insurances. Conrad is planning for his retirement and wishes to have a guaranteed annuity for 15 years. In this case, the most suitable arrangement includes an annuity insurance with a guarantee period in case of a claim. Therefore, Janet advised Conrad to acquire an annuity insurance with a guarantee period in the case of a claim for the period of 15 years. If Conrad dies before the completion of such a period, for example after 10 years, his beneficiaries will collect the remaining contracted years.

An annuity insurance is suitable as a retirement arrangement and to secure a retirement income. In such cases, there is a private supplementary annuity and a public annuity.



Definitions

Annuity Insurance

Claim

Unit-Linked Life Insurance

Types of main life insurances



A unit-linked Life insurance combines a risk insurance (e.g. Life) and an investment portfolio (e.g. funds) in one product.

The expression "unit-linked" refers to the unitization process of the underlying investments, which lead to units and unit prices (as opposed to shares and share prices) for pooled assets such as funds. This is to simplify and offer a higher flexibility for the systematic management and transaction of these assets.

Commonly, for unit-linked Life insurances, insurers collect a premium, deduct service charges from it and invest the remaining amount into funds. In addition, unit-linked Life insurances can also cover the demise of the insured person by providing a risk insurance as well. At the end of the contractual period, the payment of the endowment benefit occurs either as a lump-sum or in the form of annuities.

Insurance companies might offer several variations of unit-linked life insurances. Among those variations are:

Unit-linked life insurances with funds:

This is the standard case, with a combination of a risk coverage for Life and a fund component for the investments. Typically, the insurers collects a premium and deducts the Life coverage, including service charges, from it and invests the remaining amount into funds (or fund baskets).

Unit-linked life insurances with options:

Similar to funds, options can also be included as an investment opportunity in a unit-linked Life insurance. In ABS, options will be modeled analogous to funds.

Unit-linked life insurances with guaranteed value:

In order to guarantee a certain value for funds, hybrid products with two or more investment portfolios accounting for the standard fund investment (coverage 1) and for the guaranteed capital (coverage 2) can be modeled in ABS.

Subject to pre-defined threshold values for the performance of the underlying assets, the capital from the fund investment can be automatically shifted to the guaranteed capital coverage in order to secure the overall value of the investments.

A Unit-Linked Life insurance is suitable for situations in which there are surviving dependents, for coverage of other insurance policies and as a retirement arrangement. Similar to an endowment Life insurance, there is the option of a lump sum payment or the transformation into annuity payment starting at maturity.



Definitions

[Unit-Linked Life](#)

Fixed Term Insurance

Types of main life insurances



A **Fixed Term insurance** (also known as Term Fix insurance) assures a certain payment of capital at a contractually agreed date. It is an unconventional type of main life insurance and therefore not common on the marketplace.

Insurance companies might offer several variations of fixed term insurances:

1. Appointment: There is a fixed payment date, e.g. the wedding date or child birth
2. Death of the insured person: The death of the insured person, usually a parent, prompts the waiver of the insurance premium (premium-free coverage). In such cases, the insurance company bears the remaining premium payments.
3. The payment of benefits take place at the end of the contract, regardless of the status of insured person, i.e. whether he or she is alive or deceased.
4. If the beneficiaries, usually the children of the insured person, pass away, the contract ends.

A fixed term insurance is suitable for the precaution of children, e.g. to pay for school and college tuitions or to cover for extraordinary expenses such as those relating to a wedding or child birth.

Thus far, we have learned the several types of main Life insurances. The next chapter provides an overview of the different types of supplementary Life insurances.



Knowledge Check

Knowledge Check



The chat bot element is not available in the print version.

Please describe the difference between an Endowment insurance and a Pure Endowment insurance

- An Endowment insurance couples a term life insurance with a savings product. It covers the demise of the insured person during the insurance period and, in addition to the term Life insurance, it also offers an endowment benefit at the end of the contractual period.
- The Pure Endowment insurance is a savings product but without a risk part. The insurance company pays out the sum insured and the earned interest with a share of the profits (bonuses) at the end of the contract.

What is one of the main reasons for an agreement of a deferral period for Annuity insurances?

After the maturity of the annuity insurance contract, the annuity payments can be postponed, which leads to a deferral period where no annuity payments occur. Usually, this is done in case of a prolongation of the employment and thus delay of the retirement.



Definitions

Fixed Term Insurance

Insured Person

Occupational or General Disability

Types of supplementary life insurances



The supplementary insurances for **occupational or general disability** are one of the most common types on the marketplace.

They cover the risks of disabilities resulting from work-related environments for the insured person during the contractual period. The names occupational or general disability describe also the difference in the covered scope, which can be significant in terms of claim acceptance process.

There are four variations of occupational or general disability insurance:

Waiver of premium

In case of the eventuation of a disability, the insurer is obliged to finance the premiums for the covered tariffs. There can be different agreements, the most common one is that the main Life insurance is paid, the occupational/general disability waiver is set to free of premium (basically it is in the benefit phase) and all other supplementary insurances are cancelled. But this can differ depending on the agreed scope of the respective waiver product. The waiver will pay the agreed benefit as long as the disability of the insured person is valid or the insurance contract ends, depending on which happens earlier.

Waiting period

Typically occupational and general disability products have an agreed waiting period. The reason is that in some cases there might be a short-term disability and to reduce the premiums to be paid often waiting periods are agreed. This means that the insured persons disability must last longer than the waiting period and that there will be no benefit payment within the waiting period.

Waiver of Premium and Annuity in case of Occupational Disability

Besides waiving the Premium from both Main and Supplementary Waiver of premium and annuity in case of occupational disability: Besides waiving the premium, the insurance company pays a contractually agreed annuity to the Insured Person until the end of the benefit duration or until the end of the disability, depending on which happens sooner

Disability degree

Most products consider also a minimum degree of disability in their cover or they have staggered arrangement, like the following example: Until a degree of 50% only 25% of the benefit is paid, between 50% and 75% 50% of the benefit is paid and above 75% 100% benefit is paid.

In exceptional cases, occupational or general disability might also be offered as a main insurance.



Definitions

Occupational or General Disability

Accidental Death or Accidental Disability

Types of supplementary life insurances



An **Accidental Death or Accidental Disability** insurance guarantees an additional benefit payment in the case of death or disability resulting from an accident of the insured person during the period agreed in the contract.



Supplementary Accidental Death or Accidental Disability insurances offer an additional layer of protection for the insured person in case of an accident.

They can also be used to cover burial costs or to provide surviving dependents with an annuity.

The degree of disability covered will be defined in the contract. Consequently, in case of the accidental death or accidentally disability of the insured person, the beneficiaries (or the insured person) will receive an additional payment benefit.



Definitions

Accidental Death or Accidental Disability

Insured Person

Contract

Dread Disease

Types of supplementary life insurances



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Insurance companies define life-threatening illnesses differently. Among the most common life-threatening illnesses covered by a dread disease insurance are heart attacks, cancer and strokes.

The following are types of supplementary life insurance:

1. Occupational or General Disability
2. Accidental Death or Disability
3. **Dread Disease**



A **Dread Disease Insurance** guarantees a lump-sum payment for cases of life-threatening illnesses during the agreed contractual period. There also product variants where the dread disease risk is covered as waiver of premium or annuity instead of a lump-sum.



There are two variations of Dread Disease insurances:

1. **Advanced payment at the time of diagnosis:** This variant is indicated for those who wish to use the insured sum to cover treatment costs. In case the dread disease leads to the death of the Insured Person, a small part of death benefit might be paid to surviving dependents.
2. **Waiver of premium at diagnosis:** The insurance company will pay the corresponding premiums for the contractual Annuity payments might also be included here, in much the same way as Occupational or General Disability insurances.

This chapter provided an overview of the different types of main and supplementary life insurances. In the next chapter, we will see how these main and supplementary life insurances can be structured and represented in ABS via the Life file.



Knowledge Check

Please describe the Dread Disease Insurance

A Dread Disease insurance guarantees fringe benefits for cases of life-threatening illness during the agreed contractual period. Insurance companies define life-threatening illnesses differently. Among the most common Life-threatening illnesses covered by a Dread Disease insurance are heart attacks, cancer and strokes.

When is the benefit of an Accidental Death or Accidental Disability Insurance due?

An Accidental Death guarantees an additional benefit payment in the case of death related to an accident during the period agreed in the Contract. An Accidental Disability insurance guarantees an additional benefit payment in case of disability related to an accident during the period agreed in the **Contract**. Both benefit payments apply for the insured person.

What is a waiver of premium or premium-free coverage?

For example, in the case of a disability, the premium payment for a coverage can be waived. As a consequence, the insurer will finance the remaining premiums for a Life insurance. To that end, at the maturity of the contract, the insured person will receive the benefit payment in full.



Definitions

Dread Disease

The Life File

The Life File



The Life file is a specific contract file that allows the mapping and display of all types of life products with main and supplementary life coverages.

The Life file functions as an add-on to the contract file which is necessary due the higher complexities of life insurance products.

This provides additional functions for the life-specific contract and claims processing that are only relevant for Life insurances.

Check out the slider to know more.

The screenshot shows a software application window titled "Life contract file [L954616304] <on DCORV200>". The menu bar includes File, Edit, History, Branch out, Extras, Window, and ?.

The top tab bar has tabs: IP (selected), Product, Collection, Block, Questions, PH, Serv.addr., Contract, Claims, Assignm., Other role, and Hierarchy. Below the tabs, there are buttons for List, Detail, Vote, Orig.contract, Addition, BO activ., and IP-Note.

The main area displays "Mustermann Max" details: A-1010 Wien, Abraham-a-Sancta-Clara-Gasse 1; 01/01/1985, German (Austria), P/CNR. L954616304 24MLN Contract Effective; Valid from: 07/01/2020; EUR; German (Aust...), Margit Herzog (0055750, Dir.: 6), OT.

The "Object list" table has columns: Object type, Description, Value, and Ins. A single row is shown: Person, Mustermann Max / Male / 01/01/1985 / PIP.

At the bottom, there are buttons for Search..., Branch out, and Add. The status bar shows TESTALL and V 20.0.01.38.

The standard file's top-tab object, for example, was renamed to insured person (IP). The policyholder in the Life file is set as insured person by default.

In the side-tab for risk assessments ("Vote") of the Insured Person, you can find defined surcharges.

The user can manually define some of the surcharges, or they are defined automatically by the system

In the person tab, list sub-tab, the selected life products are listed.

On the Product tab and list sub tab, all the life converges are listed.

On the detail sub tab of the product tab all relevant detailed information are presented like benefit period, payment period etc.

* Life contract file [L954616304] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1, 01/01/1985 German (Austria), P/CNR
L954616304.24MLN Contract Effective: Valid from: 07/01/2020; EUR; German (Aust.) Margit Herzog (0055750, Dir.: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List Detail Tech.detail

Tech. detail

Entitlem. to ... Premium Surch./Disc. Allowance Expenses

Benef. overv. Ind. agr. Fleet Agent Comm. base Co-insurance Geoinfo RI Fund trans. Fund orders Fund clearing

TESTALL V 20.0.01.38

Life Layer Detail

Sort.	Technical i...	Sum	Sum free of ...	Net premium	Orig. prof.	Orig. prof. cr...	Rate na...
1	07/01/2020	150.000,00	0,00	10.452,70	07/01/2020	0,00	A24MXT

Profit

Benefit payment/Premium		Insured Person 1	
Profit-sharing	Ansammel	Pr. liable benefit	150.000,-
Initial profit particip.	7/01/2022	Pr. free benefit	0,00
Base interest profit	0,00	Savings premium	0,00
Base addit. profit	0,00	Risk premium	0,00
Base risk profit	0,00	Acquisition costs	0,00
Terminal bonus	0,00	Acq. costs-Non-rec. premium	0,00
Profit aux. numb.	0,00	Administrative expenses	0,00
Profit share	0,00	Sum of premiums	0,00
Profit share previous year	0,00	Gross prem sum	146.100,-
		Surcharge class	

Premium sum for the category

Premium	150.000,00	Profit	150.000,00	Premium without acquisition costs	150.000,00
Reserve	150.000,00	Warranty	150.000,00		

For the maintenance of actuarial data (statistical risk calculations), there are the side-tab "Tech. detail", "Technics" and "Allowance". The side tabs show, among other features, reserves, guaranteed and value performances of a contract. These values are computed by the mathematics (rating engine).

* Life contract file [L954616304] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1, 01/01/1985 German (Austria), P/CNR
L954616304.24MLN Contract Effective: Valid from: 07/01/2020; EUR; German (Aust.) Margit Herzog (0055750, Dir.: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List Detail Tech.detail

Tech. detail

Entitlem. to ... Premium Surch./Disc. Allowance Expenses

Benef. overv. Ind. agr. Fleet Agent Comm. base Co-insurance Geoinfo RI Fund trans. Fund orders Fund clearing

TESTALL V 20.0.01.38

Life Layer Detail

Sort date!	09/01/2020	Expired duration of insurance		00/01 YY/MM
1	07/01/2020	150.000,00	0,00	10.452,70 07/01/2020 0,00 A24MXT

Reserve

kVx-Res pr.lab.	0,00	PP at due date	0,00
kVx-Res pr.free	0,00	Bonus reserve	0,00
kVx-Bei	0,00	Surr. value from profit	0,00
kVx_wei	0,00	Pr. free profit at maturity	0,00
kVx_Gar	0,00	Terminal bonus	0,00

Profit

PP at due date	0,00
Bonus reserve	0,00
Surr. value from profit	0,00
Pr. free profit at maturity	0,00
Terminal bonus	0,00

Premium

Pa	0,00
PaBei	0,00
PaOk	0,00
SUB	0,00

Guarantee

Pr. free sum	0,00
Surrender value	0,00
Surr. value minus loan	0,00

Benefit

Benefit payment	0,00
-----------------	------

Development Calculate

* Life contract file [L954616304] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1, 01/01/1985 German (Austria), P/CNR
L954616304.24MLN Contract Effective: Valid from: 07/01/2020; EUR; German (Aust.) Margit Herzog (0055750, Dir.: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List Detail Tech.detail

Tech. detail

Entitlem. to ... Premium Surch./Disc. Allowance Expenses

Benef. overv. Ind. agr. Fleet Agent Comm. base Co-insurance Geoinfo RI Fund trans. Fund orders Fund clearing

TESTALL V 20.0.01.38

Due dates

RTDI	AC	00	Incl. comm. %	00
------	----	----	---------------	----

Rate date 01/01/0001 Reserve flag

Add data

Life Layer Detail

Sort.	Technical i...	Sum	Sum free of ...	Net premium	Orig. prof.	Orig. prof. cr...	Rate na...
1	07/01/2020	150.000,00	0,00	10.452,70	07/01/2020	0,00	A24MXT

Benefit

IS probl	150.000,00	TB date	07/01/2020	Start	07/01/2022
IS pfree	00	ProfRes.	00	Targ.-term.bonus	00
Main rate %	0	Transaction data			
Pr-lab. rate SI	150.000,00	D-kVx_res	.00	D-kVx_wei	.00
Pr-free rate SI	00	D-kVx_pr	.00	D-kVx_gar	.00
Prem. sum	00	Old virtual SI	.00	Old virtual premium	.00
Regulated premium	00	SUB	.00	TID	07/01/2020

Add data Detail

The allowance sub tab in the product tab shows actuarial data

* Life contract file [L954616304] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1, 01/01/1985 German (Austria), P/CNR
L954616304.24MLN Contract Effective: Valid from: 07/01/2020; EUR; German (Aust.) Margit Herzog (0055750, Dir.: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List Detail Entitlement to benefits

Entitlement to benefits

Insured person	Product component	Risk of entitlement for benefits	Type of entitlement to benefits
Mustermann Max...	Endowment Life Ins...	Decease	The heirs
Mustermann Max...	Endowment Life Ins...	Survival	The policy holder

Entitlement to benefits - Details

Quota in %	Name/Company	Date of birth	Description
------------	--------------	---------------	-------------

Add Remove Search Branch out

Entitled persons

TESTALL V 20.0.01.38

The entitlements are managed under the side-tab "Entitlement to benefits". Here, the beneficiaries can be defined (e.g. the heirs) in case of the demise of the insured person.

In the side-tab "Disclosure" (under the top-tab "Contract"), you can find relevant information (e.g. death benefit, surrender value, etc.) to specific due dates.

A life contract can also serve as a security for a loan. In this case, a creditor will be informed about or needs to approve any contract changes. Such contracts will be marked as blocked. This information is displayed in the top-tab "Block". More details on policy loans can be found in later chapters.

Block information is used for all other insurance classes for banks and financial debts

When compared with the standard contract file, the life file has a set of different or unique tabs:

- The standard file's top-tab "Object", for example, was renamed to Insured Person (IP). The policyholder in the Life file is set as insured person by default.
- In the side-tab for risk assessments ("Vote") of the Insured Person, you can find defined surcharges.

- In the side-tab "Disclosure" (under the top-tab "Contract"), you can find relevant information (e.g. death benefit, surrender value, etc.) to specific due dates.
- For the maintenance of actuarial data (statistical risk calculations), there is also a side-tab "Tech. detail", "Technics" and "Allowance". The side tabs show, among other features, reserves, guaranteed and value performances of a contract. These values are computed by the mathematics (rating engine).
- The entitlements are managed under the side-tab "Entitlement to benefits". Here, the beneficiaries can be defined (e.g. the heirs) in case of the demise of the insured person.
- A life contract can also serve as a security for a loan. In this case, a creditor will be informed about or needs to approve any contract changes. Such contracts will be marked as blocked. This information is displayed in the top-tab "Block". More details on policy loans can be found in later chapters.
- There is no expert file in contract life but there are special products available.

Special Products vs. Expert File (Optional)

Rating Engine

Rating Engine



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One of the most important aspects in the Life file is the correct mathematical and statistical calculation of the insured risks for a specific person.



The life file itself lacks a pricing-relevant logic, as the mathematical calculations are customer-specific for each product and thus always relayed to an external rating engine. As such, the Life file allows for the integration of a customer-specific Rating Engine.

The Rating Engine uses the defined insurance rate to perform a series of mathematical operations and mathematical validations relevant for the day-to-day of selling and managing insurance policies.

The rating engine plays a significant role in the Life file and, as aforementioned, there is no pricing relevant logic in the file itself. It is called and invoked at defined points in the Life file, such as:

Integrated interface for calling the customer-specific rating engine:

- Manual call with the calculation button from the menu bar.
- Manual call with the target calculator icon from the menu bar.

This is typically processed within a rating engine, which is a program that is responsible for these mathematical computations. These calculations take into account a manifold of variables to model the underlying risks and provide a commensurate insurance premium for the risks to be insured.

For example, a traditional life insurance typically insures a person against a premature death. To properly calculate the risk of demise, the rating engine needs input from ABS regarding the age, the smoking habits, occupation and dangerous hobbies of the insured person as well as the duration and the sum insured of the Life contract. All these variables help to produce an adequate risk premium for the insurer.

Among the validations performed by a customer-specific Rating Engine is the validation of rate-specific limit values (e.g. minimum sum, entry age of the insured person, insurance duration) and sometimes (if no risk assessment tool is used) the determination of sport, health and occupational risk surcharges (or sometimes discounts). The Rating Engine can also check the inventory data for pricing-relevant minimum input (e.g. smoker status or high risk sports).

The following figure shows the calculation button and target calculator icon from the menu bar, which trigger the manual calls of the rating engine:

Process-depending calls through the business logic of the Life file:

- While selecting amendment reasons (contract surrogate popup): "G08 - Cancellation", "G17 - Premium Waiver"
- While saving the contract
- While selecting a rate class
- While selecting certain side-tabs for the first time

! Life contract file [L954616304] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
L954616304 24MLN Quote; Valid from: 09/01/2020; EUR; German (Austria)

German (Austria), P/CNR
Margit Herzog (0055750, Dir.: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List Detail Overview

Valid from 09/01/2020 Main ren.date 07/01 MM/DD Rate class Individua

Inception 07/01/2020 Paym.freq. Monthly

Expir. Fleet no. Concession

Language German (Austria) Contract type Individual contract

Endowment Life Insurance

	State	Sum insured	ANP	AGP
<input checked="" type="checkbox"/> Endowment Life Insurance with variable death benefits	Effective	150,000.00	10,452.70	11,142.57
<input type="checkbox"/> Accidental Death Supplementary Insurance	Effective	0.00		
<input checked="" type="checkbox"/> Accidental Disability Supplementary Insurance	Effective	150,000.00	165.00	175.89
<input type="checkbox"/> OD-Waiver of premium with profit	Effective	0.00		
<input type="checkbox"/> Occupational Disability Pension with Profit	Effective	0.00		
<input type="checkbox"/> Policy Loan	Effective	0.00		
		Totals (ANP/AGP)	10,617.70	11,318.46
		Total Monthly		943.21

TESTALL 4
20.0.01.38

! It is important to emphasize that the rating engine is always customer specific!

The following tasks are only for completeness in order to clarify the role of the rating engine in the Life file:

1. Calculation of the actuarial values

- Consideration of the defined insurance rate assigned to the product
- Calculation on the basis of the sum insured as the default behavior of the rating engine
- Possibility of a target calculation (e.g. based on a premium)
- All kinds of actuarial values (e.g. reserves, surrender value, profit gain,...) are calculated, including extrapolations for the whole contract period if necessary.

2. Implementation of tariff dependent validations

- Definition of limit values are set on each product: E.g. minimum sum, age of the insured person and duration of the insurance.
- Determination of professional, sports and health related surcharges, when no risk assessment tool is used
- Assessment of minimum inputs for tariff relevant data (e.g. smoker status or extreme sports). For Life insurance calculations, these relevant criteria related to the insured person are needed in view of the mortality tables. Mortality tables are statistical calculations for death probabilities at certain ages.



Definitions

[Life Insurance](#)

[Rating Engine](#)

[Insured Person](#)

Calculation Input Pop-Up

Calculation Input Pop-Up



To overrule the default behavior for the rating engine, that is the calculation on the basis of the sum insured, it is also possible to calculate the sum insured or the annuity by a given premium. For these reverse calculations, ABS provides the calculation input, which can be invoked by the respective icon in the menu bar.

The following calculation options are offered within the calculation input:

- Calculation on the basis of the required premium.
- Calculation based on the maturity value at the end of the insurance period.
- Calculation based on the end date of the pension insurance period (annuity option).
- Addition of the desired payment frequency.
- Considering of profit sharing for some calculations
- Addition of the data for the annuity option (e.g. type of optional annuity, annuity payment frequency, guaranteed period).

The target calculator is shown in the following screenshot

General			
Payment frequency	Monthly	Commission calculation in %	0
Additional contributions			
Coverage name	Additional contribution type	Amount	0.00
E T918 R Ablebensversicherung			
Target calculation input			
Calculate from	Maturity benefit	Target value	0.00
Calculation method	With profit calculation		

After revisiting the most important components for the life file, that is the file structure of the Life file, the product model and the rating engine, we are now ready to turn to the next chapter where we will learn to draw a life contract in ABS.



Knowledge Check

Name at least three reasons for restrictions of Life insurability?

Health conditions, Age, Smoker/non-smoker.

Define the main type of insurance and give one example?

The main (or primary) insurance is the central component of a Life contract and describes the type of coverage bought by the policyholder. An example of a main type of insurance is Term-Life insurance.

Please describe the difference between an Endowment insurance and a Pure Endowment insurance.

An Endowment insurance couples a term Life insurance with a savings product. It covers the demise of the insured person during the insurance period and, in addition to the term Life insurance, it also offers an endowment benefit at the end of the contractual period.

The Pure Endowment insurance is a savings product but without a risk part. The insurance company pays out the sum insured and the earned interest with a share of the profits (bonuses) at the end of the contract.

What is the surrender value, and in which insurances is it typically offered?

It is the amount the policyholder will get from the Life insurance company, if he decides to exit the policy before maturity. An example is endowment.

What is the main purpose of a Term Life insurance?

Being one of the most popular Life insurances, it ultimately covers the demise of the insured person during the insurance period.

What is one of the main reasons for an agreement of a deferral period for annuity insurances?

After the maturity of the annuity insurance contract, the annuity payments can be postponed, which leads to a deferral period where no annuity payments occur. Usually, this is done in case of a prolongation of the employment and thus delay of the retirement.

Please name at least two examples of Fixed Term Insurances?

Wedding, child birth.

Please describe the Dread Disease Insurance.

A Dread Disease insurance guarantees fringe benefits for cases of life-threatening illness during the agreed contractual period. Insurance companies define life-threatening illnesses differently. Among the most common life-threatening illnesses covered by a Dread Disease insurance are heart attacks, cancer and strokes.

When is the benefit of an Accidental Death or Accidental Disability insurance due?

An Accidental Death insurance guarantees an additional benefit payment in the case of death related to an accident during the period agreed in the contract. An Accidental Disability insurance guarantees an additional benefit payment in case of disability related to an accident during the period agreed in the contract. Both benefit payments apply for the insured person.

What is a waiver of premium or premium-free coverage?

For example, in the case of a disability, the premium payment for a coverage can be waived. As a consequence, the insurer will finance the remaining premiums for a Life insurance. To that end, at the maturity of the contract, the insured person will receive the benefit payment in full.

Why does ABS provide a separate Life file?

The Life file functions as an extension to the general contract file. The Life file is necessary due to the different workflow and additional screens that are needed for the specific Life insurance business. Furthermore, the additional data required for Life contracts differs from the P&C business and this is reflected in the different structure of the Life file.

What are entitlement to benefits?

In a Life contract, the entitlement to benefits is used to determine the recipient of the benefit in case of a claim. The availability and the type of beneficiaries is modelled within the product definitions.

What is a rating engine and how can it be invoked in ABS?

The rating engine is responsible for the correct mathematical and statistical calculation of the insured risks for a specific person and therefore provides a commensurate insurance premium for the risks to be insured. In ABS, there are several possibilities to call the rating engine. The most common are: Manual calls with the calculation button, manual calls via the calculation input pop-up and process-dependent calls through the business logic (cancellation of contract, premium waiver of coverages, saving, rate class selection, changes in the side-tab).

What does the calculation input pop-up do?

The calculation input pop-up is used to overrule the default behaviour for the rating engine. In other words it offers a reverse calculation of the sum insured by basing the calculations, for example, on a prescribed premium that a customer is able to pay. The calculations can be based on the required premium, maturity value, annuity payments and other criteria.

Policy Loan

Policy Loan



i

Under certain circumstance, a policyholder will want to have upfront access to the deposits and investments on his or her life insurance.



There are several **advantages** for policyholder and insurance companies when using such a loan construct.

For the policyholder, there is the additional option to receive funds quickly while avoiding the cancellation of his or her Life policy. As a result, the Life insurance protection will still be given.

For the insurer, it will be beneficial in financial terms to avoid any Life contract cancellation, as the cancellation rate will be kept at a minimum. In addition, a structured loan in the form of a policy loan will generate additional revenue streams.

In ABS, policy loans are exclusively granted for existing Life Contracts. The starting point is the life policy from where the clerk can setup the policy loan.

For example, the policyholder might be interested in buying a new flat for his or her family and is therefore in need for additional money to realize the purchase. Therefore, within capital forming Life insurances, such as endowment insurances, the policyholder has the opportunity to get an **advance payment** on his or her Life benefit. This form of advanced payment is called "Policy Loan", which will be administered in an additional file (**policy loan file**) and linked to the respective Life contract in ABS.

There are several **restrictions** for policy loans.

For example, the maximum amount of a policy loan will always be limited by the actuarial reserve of the Life contract.

Other restrictions include specific pricing rules by the insurance company, which can put additional limits on the policy loans.

Further, the taken policy loan will usually be subject to fees and interests for the compensation of lost earnings, as they are not available for further compounded investments and specified as additional loans by the insurer.

As for the life-cycle of the loan, the policyholder can pay back the policy loan via a non-recurring settlement (one-time payment), however, there is no obligation for a repayment. In this case, any ensuing benefit payment from a claim for the linked Life contract will be reduced by the policy loan amount.

Let's see the example.



Timothy has finally found his sweetheart in Jennifer. Amid the preparations for the "big day", Timothy decides to alter his Life insurance and add Jennifer as his beneficiary. He also wants to take a policy loan to finance the couple's first car. For this, Timothy contacts his agent and asks for a policy loan. His agent, Janet, opens his Life policy in ABS. She then selects the top-tab "Contract" and the side-tab "Contract Relation" and clicks on the button "New Loan" in order to complete the policy loan Timothy requested.

66

In practice, a policy loan will be administered in the following way in ABS:

Check out the slider to know more.

Life contract file [L954616308] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Sancta-Clara-Gasse 1; 01/01/1985 German (Austria), P/CNR
L954616308 24MLN Contract Effective; Valid from: 08/01/2020; EUR; German (Aust...) Margit Herzog (0055750, Dir: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List Endowment Life Insurance with variable death benefits 24MLN

Detail Overview

Tech.detail Valid from 08/01/2020 Main ren. date 01/08 Rate class Individual
Technics Inception 08/01/2020 Paym. frequ. Monthly Rem.status No request for payi
Entitlem. to ... Expir. 08/01/2035 Fleet no. Concession
Premium RFA-contr. G01 Contract type Individual contract Language German (Austria)
Surch./Disc. Block Sched.task Comment Risk text Multiple PHs Ind.agreem. Co-insurance
Allowance SD RI Vote

Endowment Life Insurance PPF

	State	Sum insured	ANP	AGP
<input checked="" type="checkbox"/> Endowment Life Insurance with variable death benefits	Effective	150,000.00	10,469.23	11,160.20
Totals (ANP/AGP) 10,469.23 11,160.20				
Total Monthly 930.02				

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File contract file [L954616308] <on DCORV200>

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
L954616308 24MLN Contract Effective; Valid from: 08/01/2020; EUR; German (Aust.)
Margit Herzog (0055750, Dir: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

Activ. contr.

Relation from the current contract

Policy no.	Contract refer.descr.	M class	Expiration	Phase	State	Paymen

< > Branch out Add Remove Filter... **New policy loan**

Relation to the current contract

Policy no.	Contract refer.descr.	M class	Expiration	Phase	State	Paymen

< > Branch out Filter... **Related sales date**

Sales date: <no associated sales date> Branch Edit Delete

Sch. t. agr. Process slip Note Bus. accepta... SysFR Prov coverage Feedback Contr.rel. Contr.expend.

TESTALL V 20.0.01.38

File contract file [L954616308] <on DCORV200>

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
L954616308 24MLN Contract Effective; Valid from: 08/01/2020; EUR; German (Aust.)
Margit Herzog (0055750, Dir: 6) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

Activ. contr.

Relation from the current contract

Policy no.	Contract refer.descr.	M class	Expiration	Phase	State	Paymen

< > Branch out Add Remove Filter... **Valid from**

Policy loan valid from: 09/01/2020 **OK** Cancel Policy loan

Relation to the current contract

Policy no.	Contract refer.descr.	M class	Expiration	Phase	State	Paymen

< > Branch out Filter... **Related sales date**

Sales date: <no associated sales date> Branch Edit Delete

Sch. t. agr. Process slip Note Bus. accepta... SysFR Prov coverage Feedback Contr.rel. Contr.expend.

TESTALL V 20.0.01.38

File Contract Policy Loan [A090350166] <on DCORV200>

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
A090350166 DARL Application, work in progress; Valid from: 09/01/2020; EUR; German (Aust.)
Margit Herzog (0055750, Dir: 6) OT

Object Product N-rgc. strm. Collection Block Questions PH Serv.addr. Contract Claims Assignm. Hierarchy

List

Darlehen

Detail

Start	Ret. share (%)	100.00	ANP	6.80
Expir.	08/01/2035	State	Effective	AGP 6.84

More components...

Description	Factor		
Darlehen			
Zinsatz variabel	1.0 %	Loan amount	679.58
Zinsatz variabel			

Sch. t. agr. Process slip Note Bus. accepta... SysFR Prov coverage Feedback Contr.rel. Contr.expend.

TESTALL V 20.0.01.38

File Contract Policy Loan [A090350166] <on DCORV200>

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
A090350166 DARL Application, work in progress; Valid from: 09/01/2020; EUR; German (Aust.)
Margit Herzog (0055750, Dir: 6) OT

Object Product N-rgc. strm. Collection Block Questions PH Serv.addr. Contract Claims Assignm. Hierarchy

List

Darlehen

Detail

Start	Ret. share (%)	100.00	ANP	6.80
Expir.	08/01/2035	State	Effective	AGP 6.84

More components...

Description	Factor		
Darlehen			
Zinsatz variabel	1.0 %	Loan amount	679.58
Zinsatz variabel			

Sch. t. agr. Process slip Note Bus. accepta... SysFR Prov coverage Feedback Contr.rel. Contr.expend.

TESTALL V 20.0.01.38

File Contract Policy Loan [A090350166] < on DCORV200>

Mustermann Max Save + Close F3

A-1010 Wien, Abraham-Santa-Clara-Gasse 1, 01/01/1985
A090350166 DARL Application; Valid from: 09/01/2020; EUR; German (Austria)

German (Austria), P/CNR
Margit Herzog (0055750, Dir. 6) OT

Object **Product** **N-rcg. stm.** **Collection** **Block** **Questions** **PH** **Serv. addr.** **Contract** **Cjams** **Assignm.** **Hierarchy**

Actly. contr.	Policy no. substit.	Document issuance	
Amendm.type	Policy Number	Copies <input type="text" value="1"/> To PH/collection/customer account	
Log		Document copy	
Risk text		Copies <input type="text" value="0"/> To	
Terms/cond.	Forwarding:		
Campaign	<input type="checkbox"/> PH signature	<input type="checkbox"/> Electronic signature	<input checked="" type="checkbox"/> Inst. Pol.
Applc_layer	<input checked="" type="checkbox"/> Forward BO to policy processing		
BO activ	<input type="checkbox"/> No automatic refund		
Documents	<input type="checkbox"/> No invoicing of fees		
Doc. Evidence	Contract attachments/Direct-mail-activity		
Comment	Attachments Yes		
Sch. t. agr.	<input type="checkbox"/> Direct mail		
Procsa slip	Dispatch/Paper waived		
Note	Not defined <input type="button" value="Apply for"/> <input type="button" value="Revoke"/>		
Bys accepta...	<input type="button" value="Add"/> <input type="button" value="Remove"/> <input type="button" value="Reason"/>		
SysFR			
Prov.coverage			
Feedback			
Contr.re]			
Contr.expend.			
Difference to application			
Responsibility			
Team	Clerk		
Temporary allocation			
Team	Clerk		

AGR-GPS-Program Identifier

TESTALL
20.01.38

File Contract Policy Loan [A090350166] < on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max

A-1010 Wien, Abraham-a-Sanda-Clara-Gasse 1, 01/01/1985 German (Austria), PICNR
 A090350168 DRL [Contract Effective] valid from: 09/01/2020, EUR, German (Austria) Margit Herzog (0055750, Dir. 6) OT

Object	Product	N-rec.	stm.	Collection	Block	Questions	PH	Serv.addr	Contract	Claims	Assignm.	Hierarchy
List	Darlehen	POLDA										
Detail	Overview											
Benef. overv.	Valid from	09/01/2020	Main ren. date	01/08	Rate class	Individual	<input type="checkbox"/> SD					
Technics	Inception	09/01/2020	Paym. frequ.	Monthly	Rem. status	No request for pay.	<input type="checkbox"/> BD					
Entitled to ...	Expir.	08/01/2035	Fleet no.									
Premium	RFA-contr.	G01 (G11)	Contract type	Individual contract	Language	German (Austria)						
Ind. agr.	<input type="checkbox"/> Block	<input type="checkbox"/> Sched task	<input type="checkbox"/> Comment	<input type="checkbox"/> Risk text	<input type="checkbox"/> Multiple PHs	<input type="checkbox"/> Ind.agreem.	<input type="checkbox"/> Co-insurance					
Fleet	<input type="checkbox"/> SD	<input type="checkbox"/> RI										
Agent	Darlehen											
Co-insurance	PPF											
Geinfo			State	Sum insured	ANP	AGP						
RI	<input checked="" type="checkbox"/> Darlehen		Effective	0.00	6.80	6.84						
Netw. Alloc												
Policytext												

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V 20.00.138

Totals (ANP/AGP) 6.80 6.84
 Total Monthly 0.57



Knowledge Check

Please explain the term “Policy Loan”.

Under certain circumstances, a policyholder will want to have upfront access to the deposits and investments on his or her endowment Life insurance. For example, the policyholder might be interested in buying a new flat for his or her family and is therefore in need for additional funds to realize the purchase. Therefore, within capital forming Life insurances, such as endowment insurances, the policyholder has the opportunity to get an advance on his or her Life benefit. This form of advanced payment is called "Policy Loan", which will be administered in an additional file (policy loan file) and linked to the respective Life contract in ABS.

What are the advantages of a policy loan for the policyholder?

The policyholder has quick access to additional funds while avoiding the cancellation of his or her Life policy and maintaining insurance protection.

What are the advantages of a policy loan for the insurer?

The insurer avoids the cancellation of the Life contract and thus keeps the cancellation rate of the Life portfolio low. Furthermore, additional revenue streams could be garnered in the form of interests on the loan.



Definitions

Life Insurance

Policy Holder

Endowment Insurance

Funds Management

Funds Management



i

ABS offers a comprehensive set of functionalities for the administration and management of unit-linked Life insurances with various asset classes such as funds, options and indices.



There are four common types of unit-linked products that are supported by ABS:

Unit-linked Life insurance (standard)

In the standard version, the unit-linked Life product will consist of a leading class with a traditional Life insurance and a second fund class. In such a unit-linked insurance, a certain part of the calculated premium will be used to insure against the risk of demise and the remaining part will be used for the regular acquisition of fund shares. Extensions with several fund classes for additional investment options are also possible under this product variant. In addition, fund baskets can be modeled as additional investment options. A fund basket is a construct which groups several individual funds with the purpose to diversify potential risks even further. For example, a fund basket could consist of several individual funds with separate allocations for each individual fund (the allocations must amount to 100% in total). This concept is similar to an umbrella fund or a fund of funds.

Unit-linked Life insurance with profit sharing

This type of product allows the surpluses from a traditional Life insurance to be further invested in funds. This feature is called profit sharing.

To that end, a unit-linked Life insurance is a product that combines active investment classes with a traditional Life insurance.

Typically, a fund consists of stocks or bonds (or other asset types) and are issued by banks and asset management entities. These companies are also responsible for the utilization of the underlying assets and thus offering units in the form of shares for these funds. For example, it is possible to buy 1.23456 shares of a specific fund in ABS (or any other fraction up to 5 decimals).

Unit-linked Life insurance with options

The product model will be similar to a standard unit-linked Life product, however, with the addition of options as additional investment alternatives. The asset class "options" will be treated like a fund in ABS with the same entities for the prices as well as the shares.

Unit-linked Life insurance with guaranteed value

Under this type of product, two different fund classes will be combined, one for the regular fund investments (risk bearing) and the other for the guaranteed value investments (low-risk). Depending on the guaranteed value of the contract, automatic fund shifts will ensure that the overall value of the fund portfolio does not undershoot a predefined threshold. For this, fund shifts will be carried out from the regular fund class to the guaranteed value fund class.

Moreover, ABS supports two main principles for the funds management:

Actual principle

The actual principle is used for the fund classes "AF" (Unit-linked life insurance), "CF" (Funds pillar 3b), "GK" (Guaranteed Fund), "OF" (Options) and "DF" (Employer contributed funds). To that end, the actual principle refers to the fact that **the buy and sale process is invoked only when the premium is "actually" paid by the customer and collected by the insurer.** As a result, only after the clearing of the booking, the fund purchasing process commences according to the latest fund price in the system. In consequence, the fund purchasing is initiated as soon as the premium is received by the insurer.

Target principle

The target principle is used for the fund class "SF" (Funds for Start-Goal). In contrast to the actual principle, **the target principle initiates the fund purchasing with the creation of the booking** (e.g. subsequent premium batch), where the clearing is decoupled from the collection of the premium. This fund class is used for fund products, where the insurer is confident enough that the payment for purchasing the funds will be received in full. For instance, it will be used for state contributed funds, where the contributions are carried out by a governmental agency

Checkout the slider below to know more

In ABS, **funds are modeled as product components** (<TPRODBAUSTEIN>) and organized under a specific fund class (<TSP_PRODUKT>.<>SPARTE_EIGEN>, e.g. AF, CF, OF, etc.).

In addition, each fund must be defined in a specific entity called <TFONDS> and attached to a product component (<TPRODBAUSTEIN>) via the associative fund usage entity <TFONDSVERWEND>. This allows the flexible usage and also reuse of these funds in the product model for different purposes. That is to say that the same fund can be attached to several product components and thus be reused (see fund product model below for an illustration). For example, a fund can be selected individually on the contract and also be an individual fund within a fund basket.

For the correct depiction of the fund investments at any point in time under a unit-linked Life contract, **a fund price and the total fund shares are needed.** In ABS, these are saved in the entities <TFONDSKURS> and <TFONDSWERTE>. All fund related transactions are saved in the in/out fund entity <TZUABFLUSSFONDS>, which is an essential table in ABS.

In ABS, the **funds are managed at the coverage item level** (<TPRODAUS>) and must always have a combined fund allocation of 100%. These fund allocations indicate how much of the premium is invested in each selected fund.

The daily fund prices for each fund are delivered via an interface in the back-end of ABS (batch) and saved in the fund price entity <TFONDSKURS>. These prices are only delivered on banking days, hence no prices are delivered on weekends and public holidays.

Life contract file [X] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
L FONTE Quote; Valid from: 08/01/2020; EUR; German (Austria)

German (Austria), P/CNR
Margit Herzog (0055750, Dir.: 6) OT

IP Product Collection Block Questions PH Sery addr. Contract Claims Assignm. Other role Hierarchy

List Fonds Cash (FONTE) FONDS ▲ ▼

Detail

Start	08/01/2020	Ret. share (%)	100.00	ANP	960.62
Expir.	08/01/2030	State	Effective	AGP	999.00

PPF More components...

Description	NABP
-> Funds Cash	
<input checked="" type="checkbox"/> Allianz Invest Defensive	Percent 50.00 455.53
<input checked="" type="checkbox"/> Allianz Invest Dynamic	Percent 50.00 455.53
<input type="checkbox"/> Allianz Invest Classic	
<input type="checkbox"/> Allianz Invest Conservative	
<input type="checkbox"/> Allianz Invest Portfolio Blue	
<input type="checkbox"/> Allianz Invest Progressive	
<input type="checkbox"/> Allianz Growth Strategy - A - EUR	
<input type="checkbox"/> E Carmignac Patrimoine - FR0010135103	
<input type="checkbox"/> DWS Concept Kaldemorgen LC - LU0599946893	
<input type="checkbox"/> E Fidelity Patrimoine - LU0080749848	
<input type="checkbox"/> E JPM Global Income Fund - LU0740858229	
<input type="checkbox"/> Allianz RCM Biotechnologie-A-EUR	
<input type="checkbox"/> Allianz RCM BRIC Stars A EUR	
<input type="checkbox"/> Allianz RCM Energy-A-EUR	

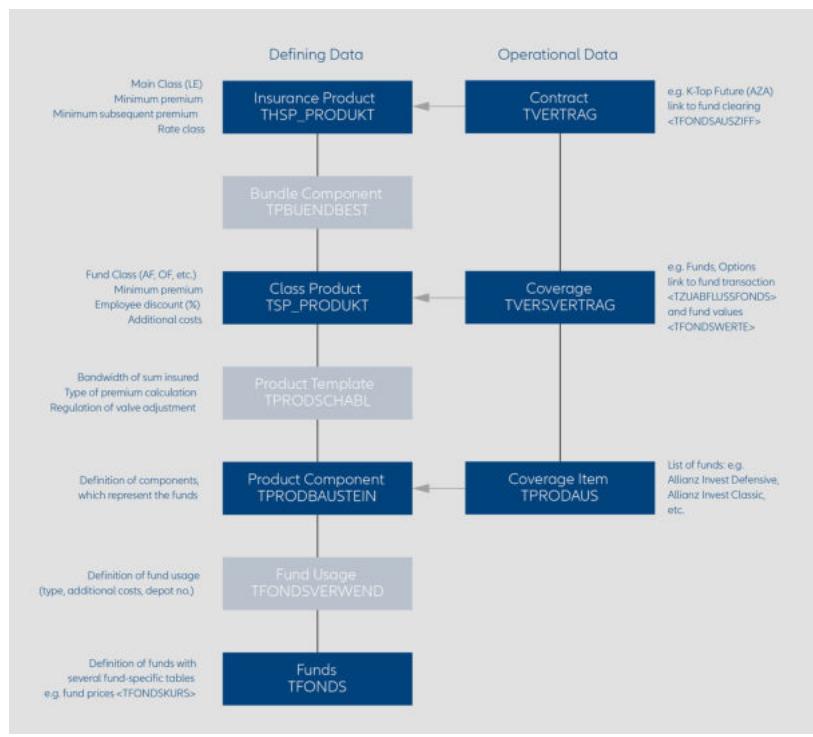
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V 20.0.01.38



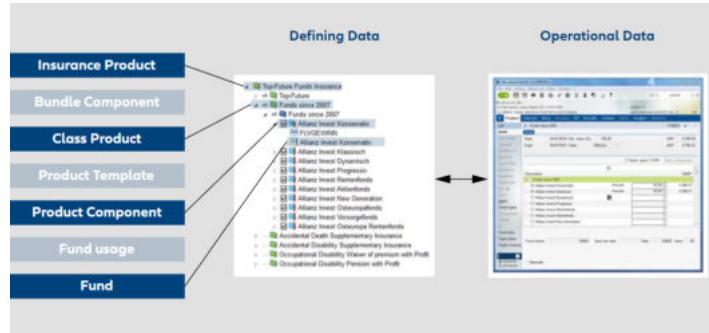
Example,

1. Fund "Allianz Invest Defensive": 50%
2. Fund "Allianz Invest Dynamic": 50%
- 2a. New premium 1000€
- 2b. Deduction of Life insurance before investing in Funds: $1000\text{€} - 88,94\text{€} = 911,06\text{€}$
- 2b.i. 455,53€ will be invested in fund "Allianz Invest Defensive"
- 2b.ii. 455,53€ will be invested in fund "Allianz Invest Dynamic"

Check the slider images.



This figure depicts the product model for unit-linked Life products in ABS.



This illustration shows how the product model (defining data) is reflected in the Life contract (operational data).

There are several specific side-tabs and functions for unit-linked Life insurances in ABS, which are illustrated next.

Please find the description of each slide beneath them.

Life contract file [L952050269] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
L952050269 FONTE Contract Effective; Valid from: 08/01/2017; EUR; German (Aust.. German (Austria), P/CNR
Sindler.Johann (0000500, Dir.: 0) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy FONDS ▲ ▼

List ▶ Fonds Cash (FONTE)

Detail

Tech.detail	Valid from 08/01/2017	Main ren. date 01/08	Rate class Individual					
Technics	Inception 08/01/2017	Paym. frequ. Monthly	Rem.status No request for pay					
Entitlem. to	Expir. 08/01/2032	Fleet no.	Concession					
Premium	RFA-contr. G01	Contract type Individual contract	Language German (Austria)					
Surch./Disc.	<input type="checkbox"/> Block	<input type="checkbox"/> Sched.task	<input type="checkbox"/> Comment	<input type="checkbox"/> Risk text	<input type="checkbox"/> Multiple PHs	<input type="checkbox"/> Ind.agreem.	<input type="checkbox"/> Co-insurance	
Allowance	<input type="checkbox"/> SD	<input type="checkbox"/> RI	<input type="checkbox"/> Vote					
Expenses								
Benef.ovr.								
Ind. agr.								
Fleet								
Agent								
Comm.base								
Co-insurance								
Geoinfo								
RI								
Fund trans.								
Fund orders								
Fund clearing								

Overview

Fondstestprodukt (FONTE) □ PPF

	State	Sum insured	ANP	AGP
T729 O Top-Future Cash (FONTE)	Effective	149,999.40	10.42	10.82
Fonds Cash (FONTE)	Effective	0.00	10,566.48	10,989.13
Fonds Optionen (FONTE)	Effective	0.00	1,100.00	1,143.91

Totals (ANP/AGP) 11,676.90 **Total Monthly** 12,143.86
1,011.99

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* Life contract file [L953920555] <on DCORV200>

File Edit History Branch out Extras Window ?

Moser Bernd
A-9125 Wasserhofen, Eckweg 12; 01/10/1986 German (Austria), AA03 Automotive Fro...
L953920555 290LE Contract Effective; Valid from: 05/01/2016; EUR; German (Aus... Geissriegler Manuela (643863, Dir.: 5) TA

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy FONDS ▲ ▼

List ▶ E Fonds Cash

Detail

Start 05/01/2016	Ret. share (%) 100.00	ANP 8,496.72
Expir. 05/01/2038	State Effective	AGP 8,836.56

PPF More components

Description NABP

- Fondsbasket Test 1 Percent 25.00 1,999.89
- Fonds A Percent 0.00
- Fonds B Percent 0.00
- Fonds C Percent 0.00
- Fondsbasket Test 2 Percent 25.00 1,999.89
- Fonds D Percent 0.00
- Fonds E Percent 0.00
- Fonds F Percent 0.00
- Allianz Invest Conservative Percent 25.00 1,999.89
- Allianz Invest Classic Percent 25.00 1,999.89

Allowed funds...

Fund shares 100 000000 Quot due date 07/02/2021 Rate 22.620000 Value 2,262.00

TESTALL V 23.2.11

* Life contract file [L952050269] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Santa-Clara-Gasse 1; 01/01/1985
L952050269 FONTE Contract Effective; Valid from: 08/01/2017; EUR; German (Austria) German (Austria), PICNR
Sindler.Johann (0000500, Dir.: 0) OT

IP Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy FONDS ▲ ▼

List ▶ Fonds Cash (FONTE)

Funds trans. filter

Creation date from 06/27/2017 Creation date to 08/27/2020 Search

Funds Allianz Invest Defensiv - AT0000657689 Export

Fund transactions

Paym transaction date	Creation date	Fund price	Fund shares	Sum of fund shares	Purch.am.	Assignment date
2017-08-14	09/01/2017	16.92000	52.04137	75.66605	880.54	08/14/2017
	08/14/2017	16.94000	2.95159	23.62668	50.00	08/11/2017
	08/14/2017	16.94000	2.95159	20.67569	50.00	08/11/2017
	08/14/2017	16.94000	2.95159	17.72350	50.00	08/11/2017
	08/14/2017	16.94000	2.95159	14.77191	50.00	08/11/2017

1/5

In/out funds

Completion date	Creation date	In/out type	In/out amo.	Calculation from	Calculation to	Fund name
09/01/2017	09/01/2017	Funds transaction	-880.54	09/01/2017	09/30/2017	Allianz Invest Defensive
09/01/2017	08/18/2017	Premium	880.54	09/01/2017	09/30/2017	

TESTALL V 20.0.01.38

Life contract file [L952050269] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Sancta-Clara-Gasse 1, 01/01/1985
L952050269 FONTE Contract Effective: Valid from: 08/01/2017; EUR; German (Austria)

German (Austria), PICNR
Sindler Johann (0000500, Dir: 0) OT

Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List

Detail

Tech detail
Technics
Est.item: to
Premium
Surch./Disc.
Allowance
Expenses
Benef.open.
Ind. agr.
Distr.
Agent
Comm base
Co-insurance
Geoinfo
Fund trans
Fund orders
Fund cleaning
TESTALL V 20.0.01.38

Fonds Cash (FONTE)

Completion date Paym.transaction date Creation date In/out type In/out amount Calculation from Calculation to Assignment date

09/01/2017	08/14/2017	08/18/2017	Premium	880.54	09/01/2017	09/30/2017	09/01/2017
08/14/2017		08/14/2017	Costs	200.00	08/01/2017	08/01/2017	01/01/00

Fund order

Creation date from 05/27/2016 Show only open orders
Creation date to 08/27/2020 Search

Fund clearing

Settlement stat Settlement end Funds amount Open funds amount Remainder Open remainder Main renewal date Payment frequency Payment date

08/01/2017	08/31/2017	880.54	0.00	35.22	0.00	01/01/00	Maturity	09/14/2017
------------	------------	--------	------	-------	------	----------	----------	------------

Details

Paym.transaction date Creation date In/out type In/out amount Calculation from Calculation... Assignment date

08/14/2017	08/01/2017	Funds transaction	-880.54	09/01/2017	09/30/2017	08/14/2017
08/14/2017	08/18/2017	Premium	880.54	09/01/2017	09/30/2017	09/01/2017

1/2

Manual entry Export

Life contract file [L952050269] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Sancta-Clara-Gasse 1, 01/01/1985
L952050269 FONTE Contract Effective: Valid from: 08/01/2017; EUR; German (Austria)

German (Austria), PICNR
Sindler Johann (0000500, Dir: 0) OT

Product Collection Block Questions PH Serv.addr. Contract Claims Assignm. Other role Hierarchy

List

Detail

Tech detail
Technics
Est.item: to
Premium
Surch./Disc.
Allowance
Expenses
Benef.open.
Ind. agr.
Distr.
Agent
Comm base
Co-insurance
Geoinfo
Fund trans
Fund orders
Fund cleaning
TESTALL V 28.0.01.38

Fonds Cash (FONTE)

Fund clearing

Fund trans.

Fund orders

Fund clearing

Life contract file [L952050269] <on DCORV200>

File Edit History Branch out Extras Window ?

Mustermann Max
A-1010 Wien, Abraham-a-Sancta-Clara-Gasse 1, 01/01/1985
L952050269 FONTE Contract Effective: Valid from: 08/01/2017; EUR; German (Austria)

German (Austria), PICNR
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Product Collection Block Questions PH Serv.addr. **Contract** Claims Assignm. Other role Hierarchy

Activ. contr.

Amendm.type

Disclosure

Log
Terms/cond.
Campaign
BO activ.
Documents
Doc. Evidence
Comment
Sch. t. agr.
Process slip
Note
Bus accepta.
SysFR
Prov coverage
Feedback
Contr. rel.
Contr. exped.

TESTALL V 20.0.01.38

Fund values

Share date 08/27/2020 Search
Rate date 08/26/2020 Reset
Fund class Fonds Cash (FONTE) ▾

Fund values

Fund class	Fund	ISIN	Fund shares	Rate	Fund value
Fonds Cash (FONTE)	Allianz Invest Defensiv	AT0000657689	75.66805	17.10	1,293.92

1/1 Fund value total 1,293.92

Close Fund values... Calculate

Funds shifting

Overview of funds

Class product name	Name	ISIN	current fund s...	current fund v...	Sale	Buy
E Fonds Cash	Allianz Invest Dynamisch	AT0000809231	150.88	3455.12	0.00	0.00
E Fonds Cash	Allianz Invest Klassisch	AT0000809256	23.64	524.35	0.00	0.00
E Fonds Cash	Allianz Invest Konservativ	AT0000809249	133.68	3023.90	0.00	0.00
E Fonds Cash	Allianz Invest Progressiv	AT0000737531	183.36	2664.20	0.00	0.00

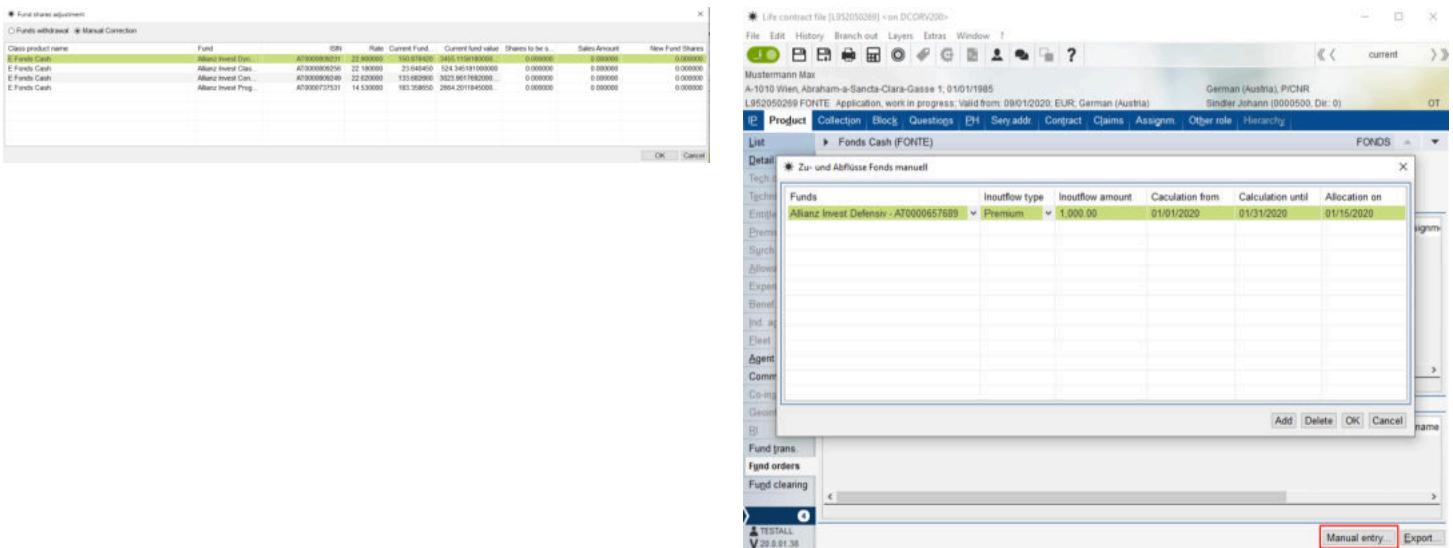
Funds shift type

Automatic funds shift

Details to funds shifting

customer order receipt date 01/01/0001 sell all funds
funds price date 01/01/0001 buy funds according to actual allocation
funds shift in Percentage ▾

OK Cancel



The specific side-tabs and functions for funds are:

- Side-tab “**Detail**”: upon selecting a fund, the available fund shares and also the value of the fund investments based on the latest fund price are displayed on the bottom of the page.
- Side-tab “**Fund transactions**”: under this side-tab, all relevant information regarding the historicized fund transactions for the contract can be inquired. For example, by setting the dates to a specific period and selecting a specific fund, the respective fund transactions can be reconstructed for this specific period
- Side-tab “**Fund orders**”: this side-tab shows all the fund orders that are created in ABS during the fund processing and need to be exchanged with the asset management to realize the physical purchase of the fund shares.
- Side-tab “**Fund clearing**”: this side-tab describes the payments by the customer which trigger the fund purchases in the system. As the customer pays the insurance premium for his unit-linked Life contract, the fund clearing will be processed and the open amounts will be balanced. This is an indication for the batch processing to carry out the fund purchases for this contract.

- Side-tab “**Disclosure**”: upon pressing the “Fund value” button, a pop-up will appear that allows the inquiry of fund values for specific time points. This helps to keep track of the evolution of the fund values and is only informative.
- Menu item “**Funds shifting**”: this function allows the shift of fund shares between selected funds. For example, this feature can be used if a customer wants to shift his investments from an under-performing fund to a better performing fund.
- Manual sales of funds can be done via the Fund shares adjustment pop up. This feature allows the sale of funds during specific contract amendments for fund withdrawals. For this, a value of the retained fund shares must be entered in the respective fields. As part of this pop regular fund adjustments can be done, with certain limitations and validations. The sale procedure will be described in the upcoming chapters.

Manual and Automatic Fund Operations

Manual and Automatic Fund Operations



The fund management in ABS relies on manual and automatic operations.

Manual fund operations are directly triggered by a clerk in the ABS client. For example, a fund shift between one or several funds can be carried out in the ABS client by utilizing the "Fund Shifting" functionality (pop-up).

Automatic fund operations pertain to batch processes and are thus always carried out in the back-end of ABS. For example, all regular fund transactions for a unit-linked Life contract such as fund purchases are automatically processed in specific fund batches. For instance, whenever a customer pays their premium, an automatic batch process will ensure that the open contract balance is cleared and the fund purchase triggered.

There are several possibilities for manual as well as automatic fund operations in ABS. An abstract of these operations is provided next:

Operation	Description
Fund shifts	This manual operation allows the shift of fund shares between selected funds. For example, this feature can be used if a customer wants to shift his investments from an underperforming fund to a better performing fund. The involved fund transactions will then be processed in the batch (see below).
Change of fund allocations	During contract amendments, the fund allocations can be changed manually by a clerk. For example, a fund contract has two funds insured (fund A, fund B) with an allocation of 50% and 50%, respectively, for each fund. The customer requests a change with new allocations for fund A (20%) and fund B (80%). As a result, starting with the next invoicing period, 20% of the premium payments will be invested in fund A and 80% in fund B.
Additional contributions for funds	Besides the regular (recurring) premium payments, a customer might want to top up his fund contract with an additional payment. For example, a customer has received tax refund of EUR 1000 and wants to save and invest this amount in funds. Consequently, the customer requests an additional contribution of EUR 1000 on his fund contract. For this, a contract amendment is initiated by the clerk, who enters this amount manually on the fund contract of the customer. After the customer pays this amount, the fund transactions are

	processed in the back-end and the customer receives fund shares amounting to EUR 1000 on his fund contract. To that end, additional contributions are invested according to the current fund allocations on the contract.
Flexible contributions for funds	Similar to additional contributions, flexible contributions allow extra payments for fund contracts. In contrast to additional contributions, customers can choose specific funds for their top-ups.
Manual sales	In certain situations, a customer might want to withdraw money from his fund contract. For such cases, a manual sale of fund shares can be triggered by entering the fund shares in the respective pop up called Fund shares adjustment.
Correction of fund transactions	ABS allows the correction of fund transactions by manual entries in the fund transaction table. This operation can be performed in the side-tab "Fund orders" by pressing the "Manual entry" button. This button is only enabled in the application stage.
Correction of fund prices	ABS allows the correction of fund prices by manual entries in the Person file. For the administration of manual fund prices, the depiction of a business partner in the form of an asset management company is needed to which this fund must belong. Fund prices can then be corrected in the person file under the top-tab "Funds" and side-tab "man. Price" for this asset management company.
Administration of fund baskets	After having defined the individual funds for a fund basket in the product explorer (PEx), the fund basket structure (composition) can be determined and administered in the person file for an asset management company. For example, a fund basket has 20 individual funds defined in the defining data. To specify which of these individual funds should be made available for investments and thus shown on a contract, an administrator must first establish the composition of the fund basket. Among the 20 available funds, the administrator chooses three individual funds (e.g. fund A, B and C) to determine the fund basket structure. After determining this composition, all contracts that include this fund basket will invest into these three individual funds under the fund basket. The structure of the fund basket can be changed at any point in time by an administrator that has permissions in the person file under the top-tab "Funds" and side-tab "Funds basket".
Fund distributions	ABS also allows the administration of dividend distributions for funds in the person file for an asset management company. Certain funds will yield dividends which can then be further invested into funds in ABS. In order to determine the dividend distribution for a fund, an administrator has to document the distribution information (date, amount and status) in the respective side-tab "Distribution" under the top-tab "Funds" in the person file. After approval, this information will be used in the batch to buy further funds for all related fund contracts.

Operation	Description
Purchase of Funds	All fund transactions will be processed automatically in dedicated batch programs in the back-end of ABS. usually, these

batches run daily but the frequency can also be set customer-specifically. For example, after the payment by the customer and the successful clearing in the system, a batch process will trigger the purchase of funds by operating the fund transaction table. All related fund transactions (payment of premium, purchase of funds) will then be recorded in the fund transaction table and are available for further inquiries in the ABS client. Also, the fund value entity will be updated to reflect all the available fund shares on the contract

Sale of funds

Similar to the purchase of funds, all fund transactions pertaining to sales will be processed automatically in dedicated batch programs in the back-end of ABS (e.g. daily). In contrast to the fund purchase operations, fund sales will involve the claim batches, as pay-outs are always administered in the claim processing in ABS. For this, a claim will be automatically created in the Life contract file via the claims integration function during a fund withdrawal or cancellation. The fund shares that need to be sold are then saved automatically as a benefit in the benefits classification of this claim and processed further in the claim batches of ABS. The conversion of funds shares into payable amounts occur at a preselected payment date with the latest fund prices. The claim integration will be explained in the next chapter.

Fund shifts

After the shift of fund shares between selected funds have been stipulated in the ABS client, the respective fund transactions will be automatically processed in the batch. The transaction operations involve the sale and the purchase of funds in subsequent order. First, the source funds will be sold and then the target funds will be bought accordingly. This ensures a proper shift from one fund to another in ABS.

Fund clearing

Whenever a customer pays the outstanding balance (e.g. invoice for April) for his fund contract, the fund clearing process will automatically ensure that the clearing of this balance occurs in the system. As a consequence of the fund clearing, the purchase of the funds will be triggered.

Delivery of fund prices

Fund prices are delivered on a daily basis in ABS. These prices are typically provided by an asset management company and automatically imported by a specific interface in ABS.

Fund price corrections

Accidental errors during the daily fund price imports might lead to incorrect fund transactions due to wrong fund prices. For these cases, a specific batch program can be utilized to automatically correct all deficient fund transactions.

Fund contract processing

For the exchange with the asset management, all fund orders have to be aggregated over all existing unit-linked Life contracts in the system. For example, if fund A exists in contract 1 and 2, then all shares of fund A will be totaled up. Therefore, the funds contract processing determines the fund transactions for all individual unit-linked Life contracts and saves these transactions in netted form as fund contract transactions. These fund contract transactions are then provided to the asset management company via the asset management interface.

Asset management interface

A dedicated interface allows the automatic exchange of purchase and sale orders with an asset management company. For example, the data exchanged between ABS and the asset

management involve: Order type, i.e. purchase or sales of fund shares; Number of shares; Portfolio number; International Securities Identification Number (ISIN); Dates; Etc.

Restructuring of funds on a contract	There are several triggers for the automatic restructuring of funds on a contract: fund baskets, conflict period, expiration management, guaranteed values and fund closure. These will be described next.
Restructuring of funds on a contract (fund baskets)	Whenever the structure of a fund basket is changed by an administrator, all contracts that include this fund basket must be adapted as well. For example, the composition of a fund basket with two individual funds A and B is changed to funds A and C. As a consequence, all fund shares from fund B must be redistributed to the new funds basket structure involving funds A and C. This restructuring is ensured by a specific fund batch in ABS.
Restructuring of funds on a contract (objection period)	An objection period relates to legal regulations in which a policy holder has a right of cancellation within a certain time period, for example within 14 days of signing the unit-linked Life contract. For that reason, fund shares should not be bought right away, but rather after this objection period in order to minimize the inherent price risks for the insurer. For example, if a customer cancels his contract within the legal objection period, all paid premiums have to be rebooked and returned to the customer. As a result, in case of a direct fund investment, the funds need to be sold by the insurer and there would be no guarantee that the fund value is commensurate to the paid premium. This poses a price risk for the insurer, as the value of the funds could drop within this period. In order to reduce these price fluctuation risks, ABS can circumvent a direct investment of an incoming premium through parking the money in a "park fund" for the duration of the objection period. As a result, after the objection period is over and assuming that the policy holder did not employ his right to cancel, the reallocation from the park fund to the selected funds on the contract is automatically triggered by a batch program in ABS.
Restructuring of funds on a contract (expiration management)	In ABS, the automatic expiration management is triggered before the end date of a fund contract in order to protect the collected investment portfolio against any losses. For this, higher risk funds are automatically reallocated to low risk funds in a defined period, so that on expiration of the contract, only low risk fund shares are present.
Restructuring of funds on a contract (guaranteed values)	Depending on the guaranteed value of the contract, automatic fund shifts will ensure that the overall value of the fund portfolio does not undershoot a predefined threshold. For this, fund shifts will be carried out from the regular fund class to the guaranteed value fund class.
Restructuring of funds on a contract (fund closure)	In case a fund needs to be closed, ABS provides a batch procedure that triggers a fund shift from the closed fund to a target fund on all respective unit-linked Life contracts. For example, an administrator wants to close fund A. For this, he needs to create a batch file depicting all relevant contracts, the closed fund A and the target funds for the shifts. The input of this batch file then creates the fund shifts for the respective contracts.

Determination of handling fees (monthly cost function)	There is a monthly batch to validate whether risks and costs for fund contracts have to be processed. This is called the monthly cost function. For example, typically, there will be administration costs involved for managing a fund contract. These administration costs can be deducted from each fund contract by selling a certain percentage of the available fund shares with the proceeds compensating the administration costs for the insurer. The costing rules for the funds management are customer-specific.
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Knowledge Check

Define a standard Unit-linked Life insurance?

Unit-linked Life insurance (standard): in the standard version, the unit-linked Life product will consist of a leading class with a traditional Life insurance and one or several fund classes. In such a unit-linked insurance, a certain part of the calculated premium will be used to insure against the risk of demise and the remaining part will be used for the regular acquisition of fund shares.

What are fund shifts?

This function allows the shift of fund shares between selected funds. For example, this feature can be used if a customer wants to shift his investments from an underperforming fund to a better performing fund.

What are the two main principles of funds management in terms of fund purchasing?

Actual and Target Principle. The actual principle refers to the fact that the buy and sale process is invoked only when the premium is "actually" paid by the customer and collected by the insurer. As a result, only after the clearing of the booking, the fund purchasing process will take part.

In the target principle the fund purchases are initiated with the creation of the booking (i.e. in the policy processing). As a result, the clearing is decoupled from the collection of the premium and thus the fund purchase operation is transacted immediately.

What are additional contributions for funds?

Besides the regular (recurring) premium payments, a customer might want to top up his fund contract with an additional payment. For example, a customer has received tax refund of EUR 1000 and wants to save and invest this amount in funds. Consequently, the customer requests an additional contribution of EUR 1000 on his fund contract. For this, a contract amendment is initiated by the clerk, who enters this amount manually on the fund contract of the customer. After the customer pays this amount, the fund transactions are processed in the back-end and the customer receives fund shares amounting to EUR 1000 on his fund contract. To that end, additional contributions are invested according to the current fund allocations on the contract.

Claim Integration

Claim Integration



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For Life insurance in ABS, the claim processing is integrated in a special way, where claims can be created right out of the Life contract file itself without branching into the dedicated claim file.



The creation of a claim in a Life contract usually involves two steps and processes:

1. First, the Life contract has to be amended (cancelation, surplus withdrawals, partial surrenders, etc.).
2. Second, a claim has to be created.

This stands in contrast to the standard contract file, as for P&C products such a claim integration is not the standard process. But there are some implementations also in Non-Life. The key point is when a contract amendment is the trigger for the claim creation, the claim integration eases the whole process. So also in Life there are claims which are created directly in the claims file and not through the claim integration.

This two-step procedure necessitated a simplification for the claim processing in Life. In addition, it was important to avoid any inconsistencies, where the claim creation could be forgotten during the amendment of a Life contract. Consequently, the claim integration was implemented (first for Life only, then enabled for all lines of business).

As a result, the two main reasons for the claim integration can be summarized as:

- Avoid inconsistencies, where a contract is amended without creating a claim.
- Support the clerk and simplify the workflow

The claim integration function for Life contracts works as follows:

- For specific contract amendments, a claim will be generated automatically inside the Life file.
- Based on the amendment reason and state details, the business logic references to a predefined loss type (as defined in the product model). There is a default implementation within ABS Core which can be extended or overridden.
- The rating engine calculates the benefit classifications based on the loss type during the business object forward procedure (when checking the BO-forward check-box). This is the starting point for the claim integration as, the rating engine performs the required calculations for the defined
- The claim gets a special business process status ("application not yet processed"). This status is changed only after the policy processing of the application.
- After the policy processing, the claim is approved and can be further processed in the claim file by the clerk (but not before the policy processing!).
- By using the claim integration, a "simple" claim (like a surrender) can be completely handled in the contract file end-to-end.
- More complex claims should be administered in the claim file directly, as additional steps and claim file specific functions

loss type. If the rating doesn't provide a value the claim creation is stopped with an error.

- A claim number will be generated and the settling of the claim can start. In addition, the provision and compensation bookings are generated and the benefit payment is determined based on the results from the rating.

might be involved, which are not part of the claim integration in the contract file.

It is important to note that the abort of the business object forward procedure (by unchecking the respective check-box) will delete all claims that were created during the claim integration. This is mandatory to avoid the risk of having wrong or even obsolete claims.

If a loss type is defined in several coverages (e.g. death and accidental death, as a supplementary insurance), several claims will be created simultaneously (still the rating must provide benefit classifications for all of the claims to be created).



Loss types are a representation of all potential and possible perils that are covered in the defined insurance classes and can give rise to a claim.

For example, for a traditional Life coverage providing an insurance for death, the loss type would be demise. In addition, a loss type can be further specified by a loss cause, e.g. car accident. Importantly, these loss types are being used for the call of the rating engine.



A benefits classification represents the possible division of a benefit booking, which are used to build up the compensation and provision bookings for claims.

Benefits classifications are used to split up these booking basis amounts into different amount types in order to ease the allocation of the correct general ledger accounts e.g. death benefit, profit share.

For example, the following are benefits classifications for the case of demise:

- Death benefit
- Benefit payment surrender
- Bonus
- Doctor fees



Remember: the benefits classifications have a special use for unit-linked Life contracts. For these type of contracts, the fund shares that need to be sold during a fund withdrawal or cancellation are also saved in the benefits classification and processed further in the claim batches of ABS.



Knowledge Check

What are the main purposes for the claim integration in the Life contract file?

The two main reasons for the claim integration in Life can be summarized as:

- support the clerk and simplify the workflow and
- avoid inconsistencies, where a contract is amended without creating a claim.

What is a prerequisite step to be undertaken in order to create a claim as part of the Life contract file?

The contract needs to be amended with a cancellation, partial surrender or funds withdrawal.

What is the role of the rating engine for the claim integration?

The rating engine calculates the benefit payments based on the loss type during the business object forward procedure (when checking the BO-forward check-box). This is the starting point for the claim integration as, the rating engine performs the required calculations for the defined loss type.

What happens when the business object forward procedure is aborted during the claim integration?

By unchecking the business object forward check-box, all claims that were created during the claim integration will be deleted. This is mandatory to avoid the risk of having wrong or even obsolete claims.



Definitions

[Life Insurance](#)

[Loss Type](#)

[Benefit Classification](#)

Introduction

Introduction

i

Classification of agent master data & commissioning

Commission deals with the display, processing and further processing of commission and agent data. Agent master data and commissions are allocated to the person, contract and collection & disbursement domains of ABS.

Unlike commission function, commission calculation is not an ABS Core functionality, but a customer-specific one.

Payment of commission is based on the collection & disbursement functionality.



Commission is a cross-cutting functionality of ABS and predominantly covers all ABS Core commission functions.

Who are Agents and what is Commission?

Agent and Commission



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Agents are persons mediating the insurance business (insurance products) to customers.



- Typically, they are the sales representatives of a specific insurance company and sell its products to persons and families, as well as to small and medium companies and corporate customers.
- The business relation (obligation toward insurer and customer) between the agent and the insurance company is regulated in the agency contract between the two involved parties.
- For their activities, agents are entitled to a form of remuneration - the so-called commission.

□

Commission means the remuneration for a sales or mediation activity. This remuneration is paid by the insurance company to the agent.

□

Definitions

Agents

Commission

Which functionalities does ABS provide?

Agent and Commission

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Agent Master Data and commission is a cross-cutting functionality of ABS Core.

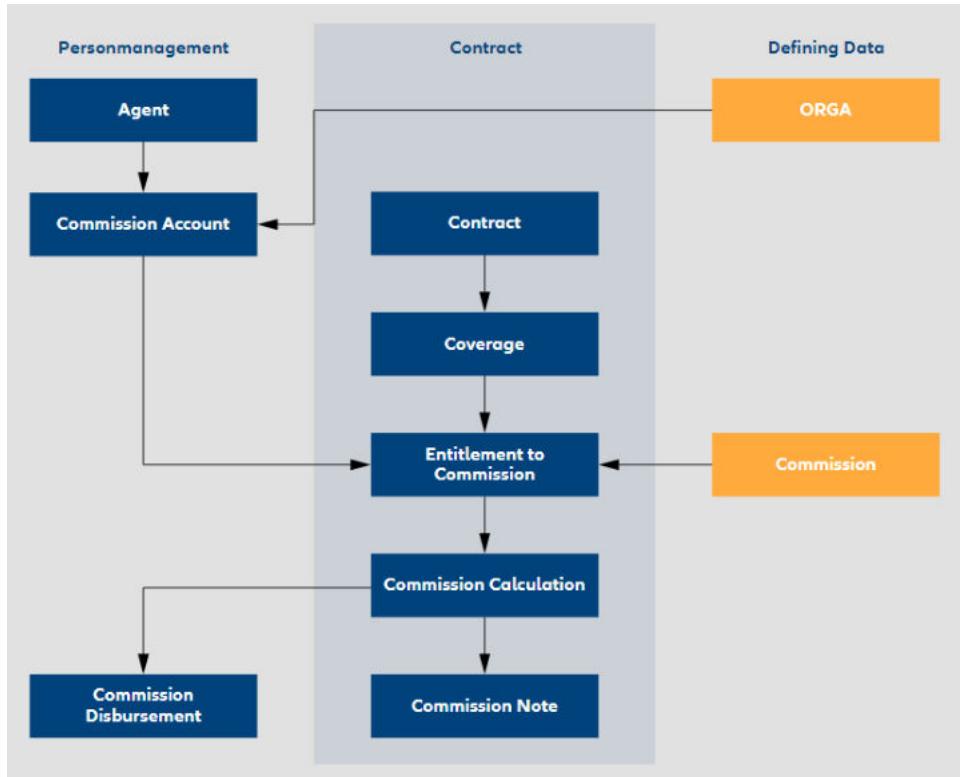
It encompasses functions pertaining to person data management, contract management and commission and is closely related to other functional objects in the system. Commission might be customized by ABS customers to fit the needs of a specific insurance company.

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Here you will find a few examples for the context, i.e. the relationship between commission and other ABS functional objects:

- **Person:** person provides commission with important information pertaining to an agent, such as his or her name, address, and bank account number. Also entire Commission Account statements can be displayed in the person context.
- **Defining commission data:** terms for Life and non-Life coverages are set in the defining commission data. This information is required for commission calculation.
- **Collection and Disbursement:** commission prepares the commission data and accompanying bookings.
- **Output management:** output management enables agents to print commission account statements.
- **Contract:** agents can have different roles in contract, notably contract manager and commission recipient.
- **Sales organization:** sales organization provides commission with the sales structure or hierarchy of the insurance company. The sales hierarchy is the basis for correct allocation of sales results, and also also determines the necessary inventory data sections.
- **Data warehouse:** data warehouse systems can be updated by customers with the latest commission data. Such data can then be retrieved and evaluated in different departments of the insurance company for analysis and reporting purposes. The extraction of commission data needs to be implemented customer-specifically.

- The commission component is the part of the application that deals with the display, processing and post-processing of commission and agent data.
- In ABS Core, agent master data and commissions are allocated to the “person”, “contract” and “collection/disbursement” components.
- The following graphic gives a gross overview of the interplay between individual components.



Definitions

[Commission Account](#)

[Contract](#)

Agent Types

Agent Types and Agent Roles



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ABS knows different types of agents.

The following agent types allow for a classification of the different agents using the ABS installation. This is used for business purposes, and does not have any fundamental effect on the available agent-related functionalities.

Tied Agent

it is also called insurance agent and works for a certain insurance company. Has an obligation towards that company and not towards the customer, and sells insurance products of that single insurance company. A distinction can be made between salaried agents who are employed by the insurance company, and independent, self-employed agents who work exclusively for the insurance company.

Insurance Broker

The insurance broker has a broker contract with multiple insurance companies and - unlike an insurance agent - has an obligation towards the customer and not towards a certain insurance company.

Other agents

To complete the list, nowadays also car dealers, banks and mail-order businesses etc. offer insurance products in addition to their main products, thus also acting as agents for a certain insurance company/product.

In ABS, an agent is either a **natural person** or a **legal person**, working from a defined address.



Before agents can begin their work, they must be assigned an agent role, as well as a commission account. This is done by authorized personnel, using the ABS person file to set the necessary system IDs and accounts.



Definitions

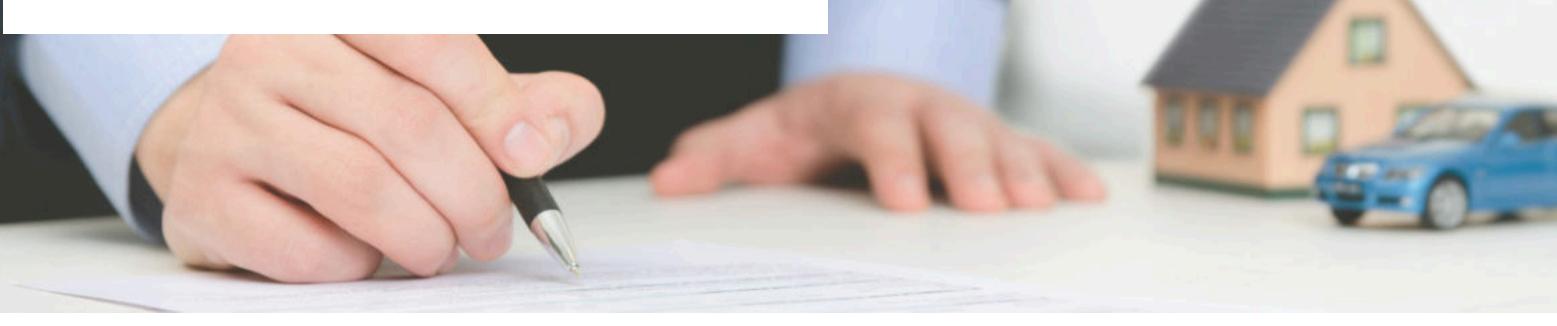
Agent

Natural Person

Legal Person

Agent Roles

Agent Types and Agent Roles



i

In ABS an agent can have the following roles:

1. **Account manager:** the agent responsible for the optimal overall care of a customer, including all contracts.
2. **Contract manager:** the agent responsible for the optimal customer care in regards to a specific contract of the customer.
3. **Commission agent:** the agent entitled to get paid commission for a coverage.

Typically, an agent will have several or all of these roles. For example, a person's account manager will also be preset as contract manager upon creation of a new contract for this person. The contract manager, in turn, will typically be set as commission agent for the contract's coverages.

The three agent roles described above are related to their activities regarding customer care on person and contract level. An agent can, however, also support other agents in the role of agent manager. This can, for example be an agent's line manager or a senior agent training and supporting a new agent. It is also possible to define agent managers on commission account level, if this granularity is required (details on commission accounts will be provided further below).

It is, however, also possible that some of a customer's contracts are managed by a different agent than the account manager. This can, for example, be the case when the account manager is responsible for all the customers non-life contracts, but a different specialist is contract manager for the life contract. In this case, the account manager is responsible for the overall care of the customer, fundamentally including the life contract. For more specific questions regarding the life contract, however, the contract's manager will be responsible. The exact balance between these two roles will depend on the specific situation. In ABS, neither account manager nor contract manager will directly receive commission for having these roles. For this to be the case, they have to be added as commission agent for at least one of the contract's coverages.



Definitions

Agent

Commission

Contract

Commission Types

Commission Types



The two most important types of commissions are acquisition commission and subsequent commission.

These are paid as remuneration to the agent(s) in the role of commission agent for a coverage of the contract of interest. Besides these commissions, agents may also receive other types of remuneration, such as performance or corporate commission.

Another very important characteristic of such a commission type is the difference in terms of time when the commission is due. ABS knows two types of commission due times; target commission and actual commission. Which one of these is used is stipulated in the commission agreement, and will typically depend on the way business is done in the country of interest - based on factors such as customer payment behavior.



Target Commission vs. Actual Commission

1. **Target commission:** the commission is due as soon as the initial or subsequent premium has been calculated (usually during policy processing)
2. **Actual commission:** the commission is due as soon as the initial or subsequent premium has been paid and received by the insurance company



Definitions

Target

Acquisition Commission

Commission Types

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Acquisition commission is the remuneration paid to the commission agent when a new contract is signed by a customer. In many cases, an acquisition commission is also paid for contract amendments and index adjustments.

The acquisition commission varies according to the product (precisely the class product) and the commission agreement. It is calculated at the conclusion of a transaction (during policy-processing) and can be due as target commission or as actual commission, depending on the commission agreement. Sales representatives are entitled to acquisition commission if their activities prompted the insurance application submission.

Contract cancellations and technical contract amendments within a specific liability period may entail a backward projection and the amendment of the acquisition commission.

In many cases, the acquisition commission is also calculated for contract amendments and index adjustments. The specifics of all these factors will differ from one insurance company to another, based on the agreements they have with their agents. While one insurance company may limit acquisition commission for contract amendments to those where a new coverage is included, another one may pay it also for index adjustments.



Definitions

Class Product

Product

Subsequent Commission

Commission Types



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Subsequent commission is the remuneration being paid to the commission agent for subsequent premiums paid by the customer and thus is part of the subsequent premium.

It represents a commission for portfolio management and can be due as target commission or as actual commission, depending on the commission agreement. The subsequent commission is often smaller than and paid in addition to the non-recurring acquisition commission. The amount of subsequent commission is tied to the product and to the commission agreement.

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The subsequent commission is also known as portfolio management commission and sales representatives entitled to this commission are referred to as subsequent commission agent.

Other Commission Types

Commission Types



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Other forms of remuneration include:

- **First subsequent commission:** in some cases, the very first subsequent commission carries a special rate (typically higher than that of the following subsequent commissions). In this case, "normal" subsequent commission should be applied by the commission calculation only from the second subsequent invoicing onwards.
- **Performance or support commission:** is paid to an organization such as an agency as remuneration for services provided to their agents.
- **Office costs allowance:** is paid to an agent to cover home office expenses.
- **Third-party commission or commission from co-operations:** is paid to an agent for transacting products from a third-party, such as another insurance company for which a cooperation agreement is in place.
- **Corporate commission:** is paid to the company responsible for sales, if the product has been provided by a different company. Corporate commission is based on the agreement between the company providing the product and the company selling it, in order to covers some of the latter's costs, such as administrative and non-wage labor costs.

Commission Account Overview

Commission Account

i

In ABS, the commission account is used for the mapping of all of an agent's roles.

Whenever an account manager, contract manager, or commission agent is allocated, this is actually done via the commission account number. While this number is also known as the agent number, please note that frequently an agent will have more than one commission account and, thus, several agent numbers.

Agents cannot perform their tasks unless they have at least one commission account. There, all settings of interest are maintained, such as the allocation in the sales structure, a link to the terms for commission (the so-called commission scheme), currency, month of due date, and payment frequency and channel. Often, agents will need more than one commission account; for example if they are working for more than one agency, obtain different commission rates (mapped to different commission schemes), receive commission for contracts in different currencies, or require different payment settings.

!

A commission account is a necessary precondition for the entitlement to commission. So commission calculation and commission bookings are only possible for agents with commission account.

- All bookings for every commission account can be queried in the form of a list.
- Commission overview and account overview offer another form of querying.

- The functionality for printing commission account statements (so called "commission notes") and tax authority confirmations can also be provided for the commission account.

Commission Account Specifics

- There is a function available for commission account, which allows to rebook to other accounts. To use this function, the specific accounts to which the rebookings should be transferred to, must be given.
- If the commission account's disbursement method is bank transfer, then a valid bank account must be specified.

Commission Account Statement

66

Output management: enables agents to print commission account statements.

- The commission account statement, or commission note is a document generated by output management that shows commission bookings, re bookings and payments for a specific commission account. A commission account statement contains, among other information,

Commission Sharing

- There are different ways to remunerate managers and other agents providing support to an agent. Two options are the use of automatic commission splitting or super commission, respectively. The settings for both are defined on commission account level, and they mainly differ in two aspects: whether the commission earned by the agent of interest will be reduced by the remuneration for the manager, and whether the other agents are identified individually, or based on hierarchy level.
- Automatic commission splitting: for the agent's commission account, one or more settings for automatic commission splitting can be defined in favor of named managers. Based on the settings and percentages defined, ABS will create additional entitlements to commission for the manager(s), reducing the agent's entitlements accordingly.
- Super commission: with the manager's commission account, settings for the manager's share can be defined per subordinate hierarchical level.
As opposed to automatic commission splitting, this will not reduce the commissions earned by subordinate agents, but

period of interest, policy number, customer name, commission earned and received payments.

will typically result in remuneration calculated and paid out to the manager in an external data warehouse system.



Definitions

Agents

Commission

Overview

Commission Method vs. Commission Scheme



i

In order for agents to receive initial or subsequent commission, they need to have entitlements to commission within a contract of interest, referenced via one of their commission accounts.



The settings for the entitlement to commission will be based on the commission scheme referenced in the commission account. There, the default values for the commission earned are defined, based on the product of interest. The criteria to be taken into account to identify these values are in turn defined within the commission method that the commission scheme is based on. The actual commission is calculated by customer specific logic, based on the entitlements to commission and booked/paid out according to the settings for the commission account.

Commission Method

Commission Method vs. Commission Scheme



i

In ABS, a commission method defines the criteria to be applied for the determination of the entitlement to commission and in the commission calculation. A commission method is part of the Defining Data in ABS and these criteria are maintained in the ABS Configuration Suite in the commission application.



- For each commission method, details can be maintained for the three areas life, motor vehicle liability, and 'others'. Motor vehicle criteria are for example: vehicle type (vehicle, truck, caravan, motorcycle, etc.), usage (private, commercial transportation, mountain rescue, street maintenance, public security services, etc.), number of seats etc.



Definitions

[Defining Data](#)

[ABS Configuration Suite](#)

Commission Scheme

Commission Method vs. Commission Scheme



i

In ABS, a commission scheme contains the values for the commission criteria which are defined in the commission method.

- One commission scheme for life and one for non-life can be assigned to a commission account to enable the automatic commission determination for all products of that specific area.
- Commission schemes are part of the **defining data** in ABS, and maintained in the ABS Configuration Suite in the commission application. Fitting with the commission methods, commission scheme details can be maintained for the three areas life, motor vehicle liability, and 'others'.
- The values are specified in a dedicated commission scheme, rather than in the commission method itself, because there will be numerous commission schemes for a single commission method and new ones will be created regularly. It can suffice for an insurance company to have only one single commission method where all relevant criteria for life, non-life, and other are defined. All required commission schemes can then be created based on this one commission method, for example specific ones for life vs non-life, tied agents vs brokers with different stipulations in their contracts/agreements, etc.

i

Let us see an example.

💡

An Agent concludes a motor vehicle contract with a vehicle used for commercial transportation with 8 seats and the day after he concludes a different motor vehicle contract with a sports cabriolet for private usage with two seats.

Based on the defined commission criteria vehicle and the combination of the different characteristics for these two insured objects (vehicles) different commission rates will be applied for calculating the commission amount due.

📋

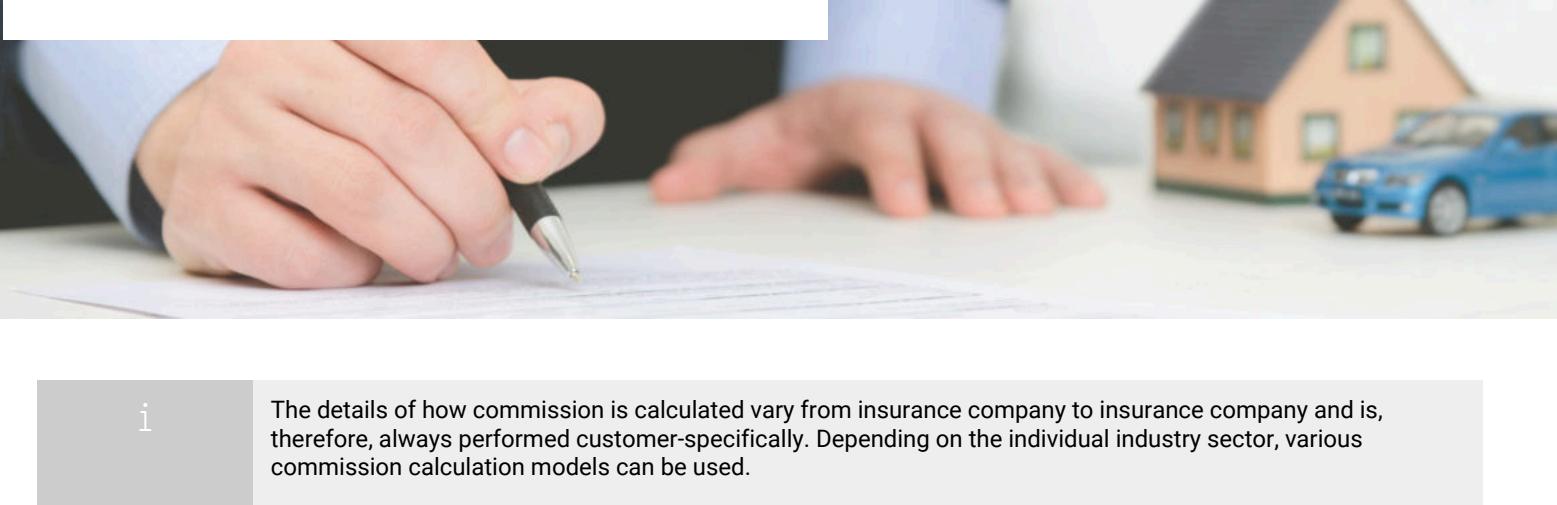
Definitions

Agent

Commission

Commission Calculation

Commission Method vs. Commission Scheme



i

The details of how commission is calculated vary from insurance company to insurance company and is, therefore, always performed customer-specifically. Depending on the individual industry sector, various commission calculation models can be used.

- Typically the commission amount is calculated as a percentage value of the mediated business volume / transaction. A uniform systematic method is used for determining the commission for Non-life as well as for life coverages, based on the commission schemes. This means that this uniform system is used regardless of the insured object's type.



- The customer-specific implementation of the commission calculation reads the commission rates persisted in the defining data and applies them based on the given relevant commission schemes and their specific criteria (as defined in the respective commission methods).

In case the entitlement to commission has been changed manually (which is an exceptional case requiring special user authorization), then the altered setting is used for calculating the actual commission instead of the defining data. Subsequently, ABS displays the entitlement to commission and the calculation results in the contract file.

!

You can manually alter certain details pertaining to the entitlement to commission. If necessary to do so, use the product commission screen in the expert contract file.

Agent Data Model

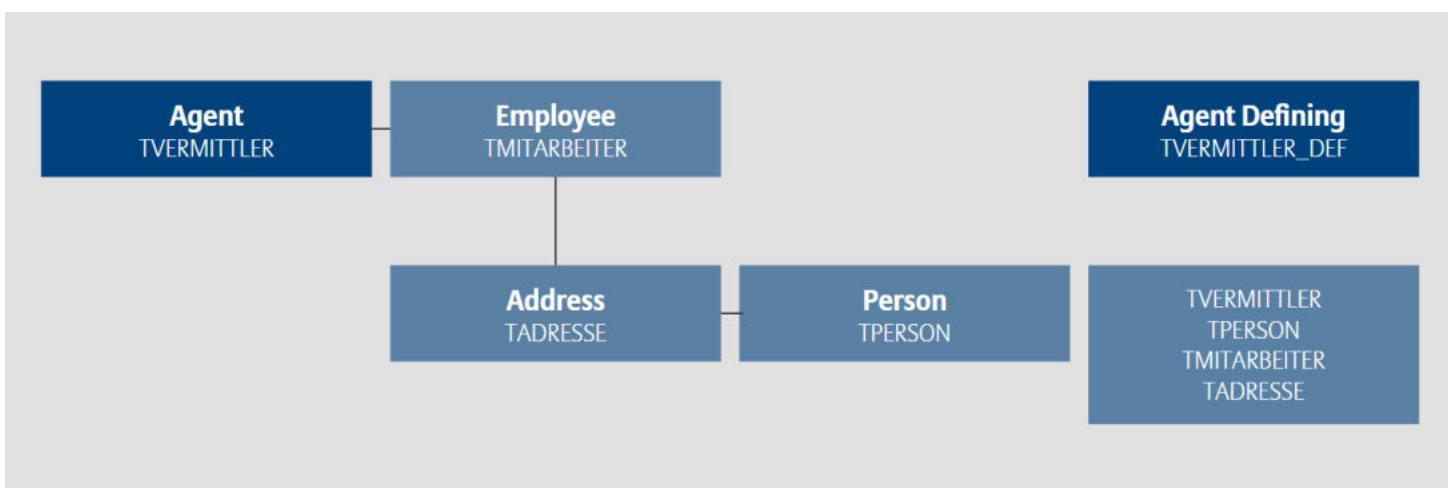
Commission Data Model



i

The following entities are relevant for creating and maintaining agent data.

- The entity agent contains master data, such as the agent type, i.e. whether the agent is a broker, a sales representative, etc., whether he or she is assigned to a sales unit, as well as entry and exit dates. An agent record depends on the entity Person and is a crucial part for commissioning.
- The agent defining entity contains all information pertaining an agent's commission account. It gathers data from entities like for example person, agent, employee, address, commission account etc.) and functions like a work table providing the data redundantly (not being linked directly to any other entity). ABS batch functionality generates agent defining daily in order to allow for agent search, print and display within ABS.



ABS Configuration Suite

Configuration Suite vs. ABS Online



The ABS underlying data model supports the functionalities in the commissions component. Defining data are edited by specialists in the ABS Configuration Suite, precisely in the commission application.

Check this slider for more information about "**ABS Configuration Suite**"

Commission method	Valid from	Valid to	User ID
Allianz	08/29/1996	12/31/9999	
AE-New	06/21/1996	01/01/9999	
Allianz Elementar 2004 (W3/)	11/10/2003	12/31/9999	
Aufhändler Einjährig	06/14/2006	12/31/9999	
Aufhändler Standard	06/14/2006	12/31/9999	
AVBG	06/05/1996	12/31/9999	
Elementar	06/05/1996	12/31/9999	
Elementar (Tab=A-F+N1)	06/05/1996	12/31/9999	
Elementar (B-A-Me 5)	10/16/1996	12/31/9999	
Elementar-Marker	10/16/1996	12/31/9999	
Test	01/26/2015	12/30/9999	

Commission methods in general are defined in the ABS Configuration Suite in the commission application.

Top-tab Commission Method - side-tab List. Here the commission method named "Allianz" is located.

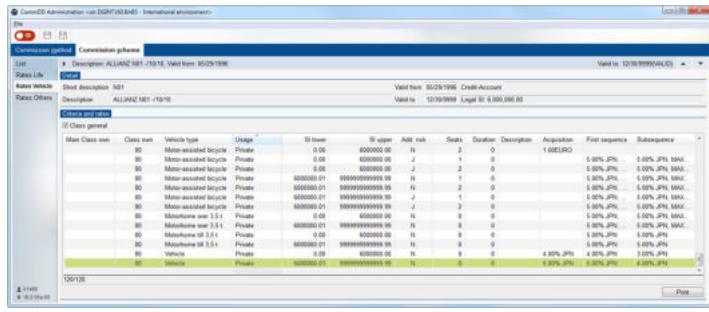
Main Class men	Class even	Veh. type	Usage	Description	Eligible ins.	Add risk	Seats	Months duration
40		Motorhome over 3,5 t	Private		FF	FF	0	0
40		Motorhome over 3,5 t	Private		FF	FF	0	0
40		Motorhome off 3,5 t	Private		FF	FF	0	0
40		Vehicle	Private		FF	FF	0	0
80		Vehicle	Private		FF	FF	0	0

Top-tab Commission Method - side-tab Detail Vehicle allows the clerk to maintain the commission criteria for vehicle contracts. Here the insured object must be a of type vehicle, usage - private, no elevated sum insured and no additional risk, independent of the number of seats.

Commission scheme	Valid from	Valid to	Credit account
N01	05/29/1996	12/31/9999	
Allianz	01/01/1996	12/31/9999	
M01	11/01/1996	12/31/9999	
M02	11/01/1996	12/31/9999	
M03	11/01/1996	12/31/9999	
M04	11/01/1996	12/31/9999	
M05	11/01/1996	12/31/9999	
M06	06/16/1997	12/31/9999	
M07	06/16/1997	12/31/9999	
M08	02/01/1992	12/31/9999	
M09	07/23/1993	12/31/9999	
M10	03/17/1998	12/31/9999	
M11	03/17/1998	12/31/9999	
M12	01/01/1995	12/31/9999	
M13	08/03/1998	12/31/9999	
M14	08/03/1998	12/31/9999	
M15	08/03/1998	12/31/9999	
M16	08/03/1998	12/31/9999	
M17	07/16/1996	12/31/9999	
M18	08/04/1998	12/31/9999	

Commission Schemes in general are defined in the ABS Configuration Suite in the commission application.

Top-tab Commission Scheme - side-tab List. A Commission Scheme needs to reference a certain Commission Method - here Scheme "N01" references the method "Allianz"



Top-tab Commission Scheme - side-tab Rates Vehicle allows to maintain the commission criteria combinations and apply individual values as Commission Rates. The highlighted example depicts an insured object being of type Vehicle, being used privately, having a sum insured greater than 6 Mio EUR resulting in an acquisition commission of 5,00% of the Annual Net Premium, a first sequence commission of 5,00% of the Annual Net Premium and a general subsequent commission of 4,00% of the Annual Net Premium.

Definitions

Commission

Defining Data

ABS Configuration Suite

Application

Commission Method

Commission Rates

ABS Online

Configuration Suite vs. ABS Online



i

The following slides show the interplay between the defining data and the operational data, more precisely between the previously explained configurations made in the in ABS Configuration Suite in the commission application and the final resulting commission data.

This data is based on the characteristics of the agent (applicable terms non-life, terms-life, etc.), the characteristics of the insured object (i.e. vehicle type, usage, number of seats, etc.) and the characteristics of the chosen (class-) product (i.e. sum insured, annual net premium, etc.). This details are necessary for the commission calculation.

So this example depicts the application and usage of the previously explained commission method, criteria, scheme and rates resulting in a concrete commission entitlement for that particular agent.

The screenshot shows the 'Agent Tablet' software interface. The title bar reads 'Natural person file [Agent Tablet] <on DTINT01>'. The menu bar includes File, Debug, Edit, Extras, Window, and Help. The toolbar has various icons for file operations. The main window displays a 'Master data' section with tabs for Cus.acc., Comm.acc., Emp.acc., Prem.acc., NCP.acc., Rt.acc., Surch./Charge, and GB.acc. The 'Comm.acc.' tab is selected. It shows details for a commission account (3190333) with a balance of 917.10 EUR. The 'Sales unit allocation' section shows the account is located in Sales area Allianz International Insurance Sec. 1. The bottom status bar shows 'TESTMFRR V 16.0.05a.69'.

Top-tab Accounts - sub-top-tab Commission Account - side-tab Master Data shows this agent's commission account. The block details shows that he actually has an account balance of 917,10 EUR. His applicable terms for Non-Life are "N01". The block sales unit allocation shows where this commission account (the agent) is located in the organizational model.

Vehicle contract file [RR8000073387] <on DTINT01>

Object Project N.rgc.stmt. Collection Block Questions PH Sery.addr. Contract Claims Applications

List ► Vehicle, Mercedes-Benz SLK Roadster (R172) 250 CDI BlueEfficiency L... | Insured value: 46,269.0

Object type Description Value Ins.

Veh. Vehicle, Mercedes-Benz SLK Roadster (R172) 250 CDI Bl... 46,269.0 ✓

Master data Registration Detail Keeper BQ-activ. Contr.list Main P. / RID

TESTMFRR V 16.0.05a.69

Search Branch out lgs.place Add Remove

Top-tab Object - side-tab List - displays general information about the insured object, here, that the insured object is of type "Vehicle".

Vehicle contract file [RR8000073387] <on DTINT01>

Object Project N.rgc.stmt. Collection Block Questions PH Sery.addr. Contract Claims Applications

Master data

Veh.

Registration No. HEC2964 Veh.type Vehicle

Chassis No. 1234567890 Usage Private

Veh.data

Brand Mercedes-Benz Original price 46,269.00 Power [kW] 150.0

Model SLK Roadster (R172) Special equipment 0 Constr.year 2013

Type 250 CDI BlueEfficiency DPF A NoVA [%] 6 Engine size [cm³] 2,143.0

Type No. Max. perm.weight [kg] 1,905 Seats 2

Motor No. Payload 0 Standing room 0

Colour Unknown Own weight (kg) 1,590 Main code 187017

Body Cabrio/Cabriolet Vertical load 0 Telematics ID

Fuel type Diesel Velocity (km/h) 0 White inspection plate

Registration

LP-country U.S.A. Year 0 LP-type regular

Authority Rear license plate 1-line Manuf.type

Registration

Registered on 03/31/2014 Depos. on 01/01/0001 Valid from 01/01/0001 IC-No.

Reg.canc. on 01/01/0001 Depos. to 01/01/0001 Init.registration on 01/01/0001 Leasing no leasing

Season from 0 Season to 0

TESTMFRR V 16.0.05a.69

Eurtax Indiv.description Create IC-No.

Top-tab Object - side-tab Master Data - displays detail information about the insured object. Here that it is a vehicle of type "Vehicle", having a usage of "Private" and that it has 2 seats, etc.

Vehicle contract file [RR8000073387] <on DTINT01>

Object Project N.rgc.stmt. Collection Block Questions PH Sery.addr. Contract Claims Applications

Detail

Overview

Valid from 11/22/2015 Main ren.date 01/12 Rate class Individual SD

Inception 11/22/2015 Paym.freq. Yearly Rem.status No request for paym.

Entitlment. to be Expir. 12/01/2025 Fleet No.

Premium RFA-contr. G01 Contract type Individual contract Language English

Ind.agree. Block Sched.task Comment Risk text Multiple PHs Ind.agree. Co-insurance

SD RI

Motor Vehicle ADLS

	State	Sum insured	ANP	AGP
<input checked="" type="checkbox"/> Third party liability	Effective	7.000.000,00	158,00	175,38
<input checked="" type="checkbox"/> Fully comprehensive insurance	Effective	0,00	158,00	188,02
Totals (ANP/AGP)		316,00	363,40	
Total Yearly		1,195,00		

TESTMFRR V 16.0.05a.69

Top-tab Product - side-tab List - displays the selected class product, here "Third Party Liability" of the insurance product "Motor Vehicle ADLS", that it has a sum insured of 7.000.000,00 EUR and that it has an Annual Net Premium of 158,00 EUR.

Vehicle contract file [RR8000073387] <on DTINT01>

Object Project N.rgc.stmt. Collection Block Questions PH Sery.addr. Contract Claims Applications

Detail

Contract manager

Agent No. 3190333 Cooperation-ID

Name Tablet Agent ID-No. 1

Acquis.comm

Agent No.	Name	Condition	Source	Commission	Value unit	Base
3190333	Tablet Agent	N01	Commission scheme	5,00	%	Annual net premium

Subsequ.comm

Agent No.	Name	Terms	Source	Commission	Value unit	Base
3190333	Tablet Agent	N01	Commission scheme	4,00	%	Annual net premium

TESTMFRR V 16.0.05a.69

Apply AC-splitting Allocate to all classes Add Remove

Top-tab Product - side-tab Agent - displays the acquisition commission and the subsequent commission. Here the agent is entitled to an acquisition commission of 5,00% of the Annual Net Premium based on the commission scheme "N01".

And furthermore that this Agent is entitled to a subsequent commission of 4,00% of the Annual Net Premium also based on the commission scheme "N01".



Definitions

Operational Data

Agent

Product

Commission Account

Organizational Model

Class Product

Insurance Product

Agent Search

Configuration Suite vs. ABS Online



There are several ways to locate an agent. One can use his or her agent ID, which is identical to his or her commission account numbers.

- One can also locate an agent via a person search. In the case of person search, there is an option to filter results according to the nature of the person, i.e. whether is a natural or a legal person. Checking the fields for natural and legal person simultaneously will ensure a broader search, search results will include agents who are natural person and agents who are legal persons.
- Maintenance of agent data and commission account data are among the tasks pertaining to person data management. Agent data and commission account data are maintained in the person file.
- In the person file, the top-tab accounts, sub-top-tab commission account and side-tab master data display the information of a certain agent's commission account.

The screenshot shows a Windows application window titled "Natural person file [Agent Tablet] <on DTINT01>". The window contains various tabs and sections for managing agent data. The "Accounts" tab is selected. The main area displays a commission account for agent ID 3190333, which is open. The account details include:
- Comm.acc. No.: 3190333
- Valid from: 05/27/2015
- Closing: 01/01/0001
- Paym channel: GA
- Gehalt
- Payment frequency: M
- Monthly
- Foreign currency: Euro
- Current balance: 917.10
- Due date month: N01
- Terms NLife: N01
- Terms Life: L01
- Max. absorption: 0.00
- Pension-ID: 0.00
- Acc.alloc.: ICC inexistent
- Note dispatch: Note dispatch
- Dispatch to agent: Dispatch to agent
Below the account details, there are sections for "Sales unit allocation" and "Synchron data". The "Sales unit allocation" section lists headquarters, division, directorate, sales area, sales center, and sales unit. The "Synchron data" section shows synchronization status between own inventory and sales units.

- Details like for example the commission account number, the applicable commission schemes (terms NLife) for Non-Life and (Terms Life) for Life contract commissions, the allocation of the commission account to headquarter, division, directorate etc. are available here.



Example, once Janet Pennysworth receives her user-ID and has a commission account set up, she begins to work in her assigned branch office. In her new function, Ms. Pennysworth receives commission for every contract she signs.



Definitions

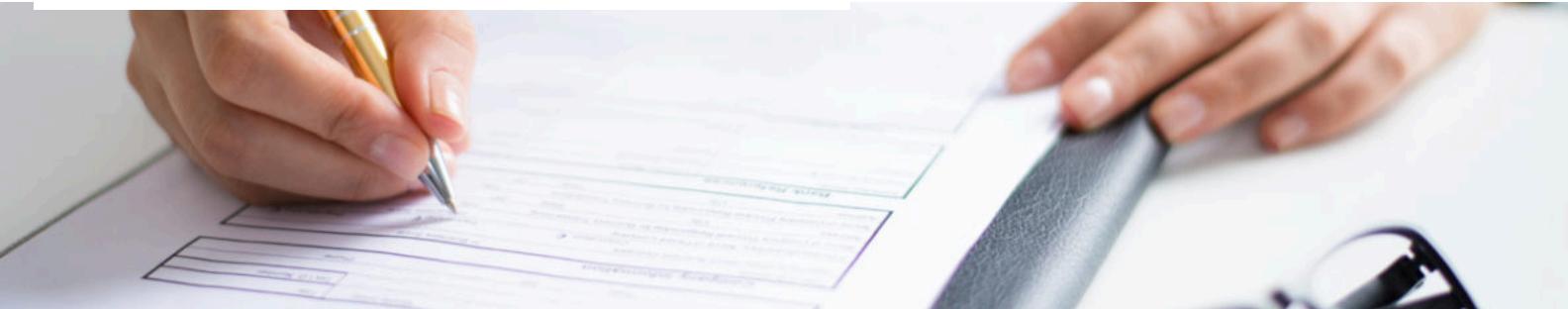
Agents

Natural Person

Contract

Legal Person

Introduction



i

Document management describes the print-related functionalities of ABS

In ABS, printing is divided in three areas: batch printing, create communication and online printing.

Document management is highly customer-specific.



The image shows all available ABS domains and depicts their connection to each other.

Document management is a cross-cutting functionality and is used by contract, claim, collection and disbursement and commission.

Overview

Introduction



i

There are three types of output creation in ABS:



- **Batch printing**, which is performed offline in the batch system. This occurs periodically with no human interaction.
- **Interactive letter writing** (File # Create communication), which is typically invoked by the back office clerks in the ABS Rich Client, to create administrative letters (like provisional coverage, cancellations, bonus/malus confirmation, etc). The contents of a letter can be edited before sending by e-mail or printed on a locally attached printer. Another option is central printing, where letter printing and delivery is handled in a central facility. AOMS (see below) is readily integrated into the ABS Core for interactive letter writing.
- **Online printing**, which involves no possibility to change the document contents before sending, and is typically invoked by sales in the ABS Rich Client (File # Print) or by customers in online portals. A person triggers this function, the system produces and/or prints the actual document. Documents like contract application, questionnaires, or the SEPA mandate form are covered here. The ABS Core does not provide ready-to-use functionality here, but the actual printing implementation can be flexibly customized.

Note that the printing implementation is quite customer specific. On one hand, the contents and layout of the letters and documents vary between the customers. On the other hand, the delivery of the documents to the customer is also quite specific. Examples are: sending by e-mail or SMS, download by the customer from a customer portal, or sending printed documents by mail.

To create the actual document content and layout a number of different technologies are used within the Allianz Group:

- The **Allianz Output Management System (AOMS)** is a shared service for document creation provided by Allianz Technology SE. It is based on the Allianz group's standard Thunderhead product and can be used for interactive, online and batch-printing applications. ABS Core fully integrates AOMS for interactive letter writing and provides interfaces for online and batch printing with AOMS.
- **BIRT**, which stands for Business Intelligence and Reporting Tool, is integrated into ABS Core and used for creating reports, in the "Production Control" and "Customer Care" files. While no actual documents are actually created here, BIRT is used to perform the SQL queries for the reports provided.
- Other technologies or products can also be integrated with ABS to create print output, but as part of customer-specific integrations. For example, Compuset is used by Allianz Austria and Allianz Suisse for batch printing. BIRT is already available in the ABS Core (see above) and has also been utilized by customers for online printing, to retrieve data from the ABS DB and produce documents.



Knowledge Check

What are the three types of output creation in ABS?

- Batch printing, which is performed offline on the host system. This occurs periodically with no human interaction.
- Interactive letter writing, which is invoked by the clerk in the ABS Rich Client, namely by clicking File -> Create communication. The contents of such a letter can be edited before sending or printing.
- Online printing, which involves no interactivity and is invoked in the ABS Rich Client or online portals. A clerk triggers this function, the system produces and/or prints the actual document. The actual document creation has to be customized.

Why is printing highly customer-specific?

Online and batch printing is highly customer-specific, as the print templates vary among ABS OEs and sometimes even depending on the business partner. Also, the decision regarding which material needs to be distributed in printed form and what can be distributed electronically varies heavily among customers.



Definitions

Batch

Provisional Coverage

SEPA

BIRT

Production Control

Batch Printing Overview

ABS Batch Printing



i

Documents are automatically created by using batch processing, without any user interaction.



Typically, document creation is called from another batch business process where printing is one part of a larger batch job. Some examples are policy processing, value adjustments, subsequent invoicing, etc.

A special use case for batch printing are documents that are created by letter writing or online printing, where the user selects "central print" (rather than printing the document on a local printer, or sending it via e-mail). A scheduled batch task is created in that case, that is then handled by batch.



Examples of such automatically generated documents are: policy documents, account statements, tax authority confirmations, insurer changes, etc.

Batch printing is highly customer-specific and therefore not provided in ABS Core. Every insurance company has its own particular printing needs which guides its decision regarding which document generation system to use. As such, customers need to implement their own document creation batch jobs. Moving along the document creation and handling chain, the handling of created documents using different dispatch channels also needs to be customer-implemented.

The typical steps for creating batch documents are as follows (checkout the slides):

Print data collection:

The operational data needed for the documents and sorting criteria are collected from the ABS database.

Print data preparation:

The data sets are prepared in a format suitable for the output management system. In this step, any defining data is added.

Sorting and merging:

The data sets are sorted, and optionally arranged into packets, based on several attributes, like printing on different paper formats or shipping based on their local or foreign postal codes.

Document generation:

The document generation system creates the actual documents in the format suitable for printing, typically AFP (Advanced Function Printing, PS (PostScript), PDF.

Printing and distribution:

The files created by the document generation system are either distributed electronically (like e-Mail), or handed over to a print provider (in-house, or external) for printing the documents on paper and shipping them to the corresponding recipients.

Archiving

PDF formatted versions of the documents are also created so they can be saved in the ABS database as binary large objects, ("BLOBs"). They are now available in the relevant document lists for viewing in the ABS Rich Client. After a defined period of time, they are moved from the database to the archiving system, leaving behind a reference in the ABS database indicating the position or address in the archiving system where they are stored.

Some of these steps are described more in detail in the upcoming pages.



Advanced Function Presentation, or AFP, is a common format used for high-volume printing.



Definitions

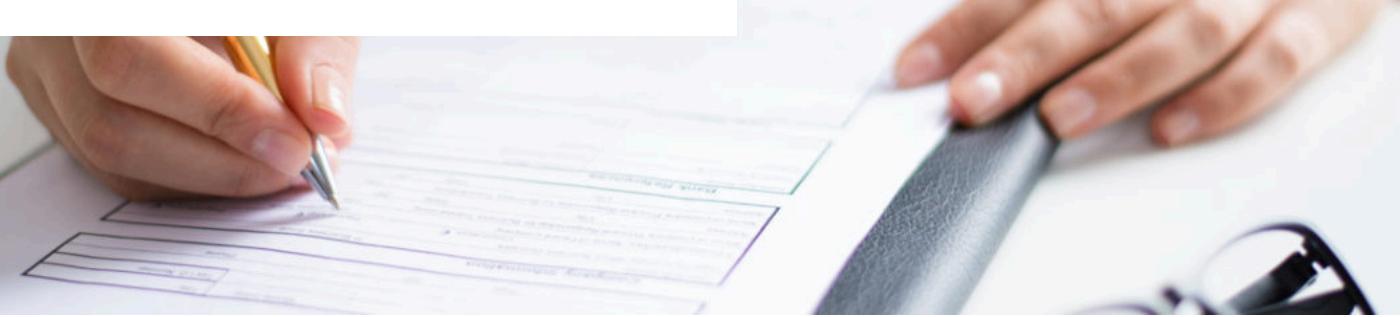
[Advanced Function Presentation \(AFP\)](#)

[Operational Data](#)

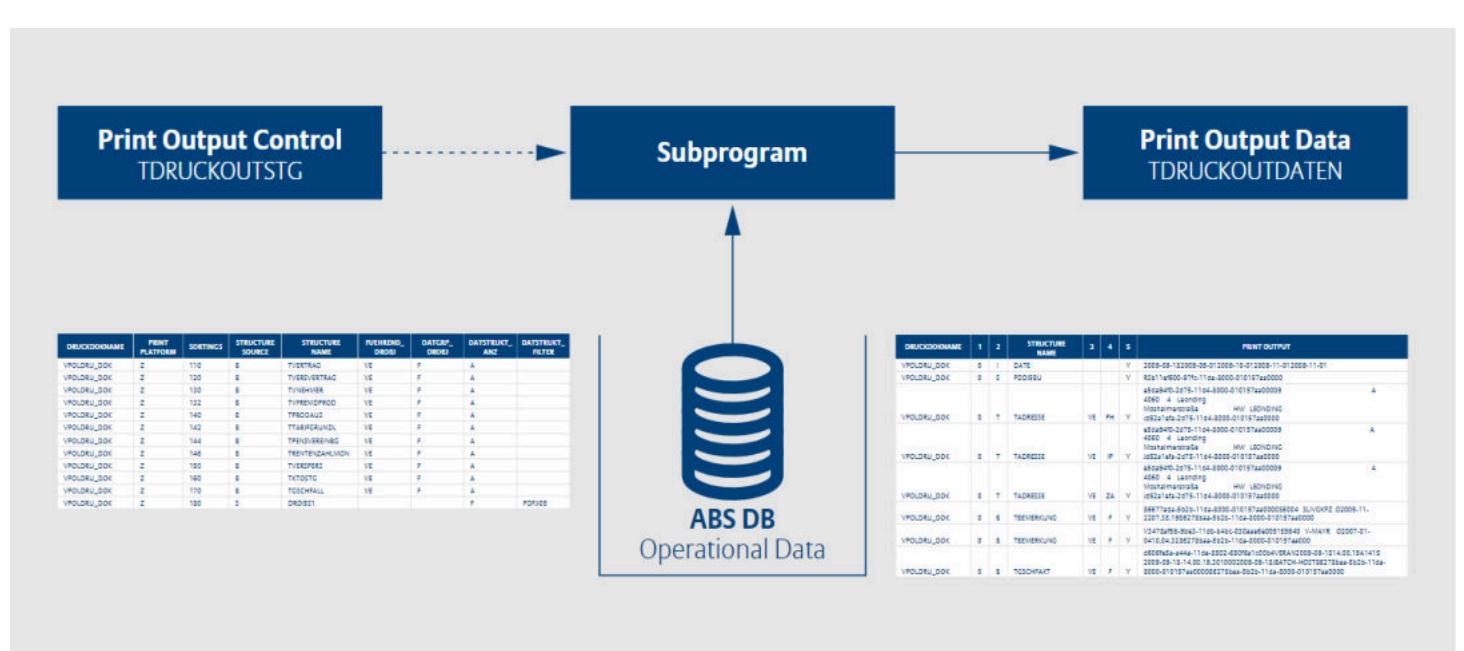
[Defining Data](#)

Print Data Collection

ABS Batch Printing



Printing data collection is supported by the ABS Core printing interface. This means that ABS Core provides the functionality to collect the necessary operational data.



Print Data Collection

DRUCKDOKNAME	PRINT PLATFORM	SORTINGS	STRUCTURE SOURCE	STRUCTURE NAME	FUEHREND DROBI	DATGRP DROBI	DATSTRUKT ANZ	DATSTRUKT FILTER
VPOLDRU_DOK	Z	110	B	TVERTRAG	VE	F	A	
VPOLDRU_DOK	/	120	B	IWINSTRIRAG	VI	I	A	
VPOLDRU_DOK	Z	130	B	TVENHMER	VE	F	A	
VPOLDRU_DOK	Z	132	B	TVFREMDPROD	VE	F	A	
VPOLDRU_DOK	/	140	B	IPIRDIAIS	VI	I	A	
VPOLDRU_DOK	/	142	B	IARIGRUNDI	VI	I	A	
VPOLDRU_DOK	Z	144	B	TPISENVERBNG	VE	F	A	
VPOLDRU_DOK	/	146	B	IUNINTNAUHIMON	VI	I	A	
VPOLDRU_DOK	/	150	B	IWINSPRS	VI	I	A	
VPOLDRU_DOK	Z	160	B	TIKOSTG	VE	F	A	
VPOLDRU_DOK	Z	170	B	TGSCFHLL	VE	F	A	
VPOLDRU_DOK	/	180	S	DIRCONA		I	PINHIC	

Print Output Control

DRUCKDOKNAME	1	2	STRUCTURE NAME	3	4	5	PRINT OUTPUT
VPODRU_DOK	0	1	DATE			Y	2009-09-18T00:00-01:0000-10-012009-11-012009-11-01
VPODRU_DOK	0	3	PUD000			Y	Kabelliste 9/F 11ds 8000 010157sd0000 +5610/10-2053-114-8000-010157sd0000
							0000_4_Leitung Moschmestraße 1 13574 Berlin-Charlottenburg
VPODRU_DOK	0	1	ADRESS	VL	PL	Y	+5610/10-2053-114-8000-010157sd0000 0000_4_Leitung Moschmestraße 1 13574 Berlin-Charlottenburg
VPODRU_DOK	0	1	ADRESS	VL	PL	Y	+5610/10-2053-114-8000-010157sd0000 0000_4_Leitung Moschmestraße 1 13574 Berlin-Charlottenburg
VPODRU_DOK	0	T	TAEDRIFT	VF	ZA		+5610/10-2053-114-8000-010157sd0000 0000_4_Leitung Moschmestraße 1 13574 Berlin-Charlottenburg
VPODRU_DOK	0	R	TRFMFRKING	VF	F		800_158657381+5610-114-8000-010157sd0000 2707.08.158657381+5610-114-8000-010157sd0000
VPODRU_DOK	0	R	TRFMFRKING	VF	F	Y	v34/8581_9c21_1ds 548c 0100sd0000_13440_V MAYK 0209 01 010157sd0000_13440_V MAYK 0209 01
VPODRU_DOK	0	R	TIGSHPART	VF	F	Y	a06f015ew-4d4+11-550-850c 0100sd0000_13440_V MAYK 0209 01 2009 09 18 14:00:00 1930-09-09 10:00:00 1135192/850c 52b 1169 800_010157sd0000_13440_V MAYK 0209 01

Print Output Data

The figure above illustrates that a core subprogram is provided, which is configured based on print output control, and collects print output data from the operational data. The example is part of the definition of which data is needed for printing a policy document.

The information and data that needs to be collected is defined in the print output control entity and persisted in the print output data entity. For example, for an account statement, data related to the person, contracts and insured objects have to be collected.



The **print output control** entity is used to store the definitions regarding which data needs to be collected for printing a given document.

To maintain the definitions, the ABS Document Assistant ("ADA") is used. The related subprogram provided by the Core reads the control information from the entity print output control. It then queries data from the central ABS operational database and writes it to the entity print output data. If not only raw collection is needed, but some processing prior to writing it to print output data, filters can be added to the definitions in the entity print output data. The filters are sub-programs provided by the customer to perform the actual data "pre-processing" like calculating or filtering the data sets.



The **print output data** entity is used to store the raw information, extracted from the operational data, required to print documents.



Definitions

[Print Output Control](#)

[Print Output Data](#)

Print Data Preparation

ABS Batch Printing



In this step, data is read from the print output data entity (which holds operational data only).

Any defining data is added, if required, for example, the domain values contained in the operational data are translated to their respective text values, in the desired language. Finally, the data is prepared in a format suitable as input for the document generation system. A common format is XML. The ABS Document Assistant (ADA) is an application in the ABS Configuration Suite in which the transformation of Print Output Data to XML can be configured. It is supported by a Core batch module that can be utilized in the customers batch printing implementation to perform the actual transformation.



Definitions

XML

ABS Configuration Suite

Document Generation

ABS Batch Printing



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After the print data has been prepared, it is submitted to a document generation system to create the actual document content and layout, in a print stream format that can be fed to large-volume printers.



Common formats are **AFP** (Advanced Function Presentation), **PDF** and **Postscript**.

An AFP file can hold information for many documents and include content, formatting, layout, design and control information, and on which hardware it is to be printed.

Supplementary information like general terms and conditions, as well as any marketing folders, are usually pre-printed and need to be added to the envelope during printing. The information regarding which enclosures to use is also added to the files created by the document generation system.

The Allianz output management system ("AOMS") is a group service provided by AMOS SE to all Allianz group members. It is based on the Thunderhead product for creating documents. Another popular legacy solution for creating documents within Allianz is Compuset.



Knowledge Check

Which tables define the ABS Core interface for host printing? Describe their respective functions.

The ABS Core interface is comprised of TDRUCKOUTSTG and TDRUCKOUTDATEN. The information and data that needs to be collected is defined and persisted in the Print Output Control entity (TDRUCKOUTSTG). The Print Output Data entity (TDRUCKOUTDATEN) is used to store the actual information that should be printed on the document and how it should be formatted etc.

Explain which documents are part of the host printing process.

Documents triggered by a Scheduled Task on a specific date and process-driven documents.

Which formats are preferred when creating print documents?

Common formats are AFP (Advanced Function Presentation), Postscript, or PDF

What has to be considered when sorting and merging data sets? (optional)

- A single document can be built out of several data sets created by different batch programs. For example, the letter sent to a customer may contain the cover letter, policy document, payment form, etc.
- Since data sets are merged from different files, those for documents that need to go into one envelope must be next to each other.
- Enclosures like general terms and conditions, as well as any marketing folders, are pre-printed and added to the envelope. The information regarding which enclosures to use is added to the document data sets.
- Depending on the number of pages, the enveloping must be determined. Letters that have too many pages may have to be printed separately and enveloped manually.

Which entities are contained in the process of print data collection?

Print Output Control (TDRUCKOUTSTG) and Print Output Data TDRUCKOUTDATEN.

Which information is contained in Print Output Control entity (TDRUCKOUTSTG) (optional)?

- Name of the document
- Sorting: To define the order in which the Print Output Control definitions are processed
- Data source: This can be the Operational Data DB, a batch log or a customer-specific structure created by a filter, etc.
- Structure name: This can be either an actual database table name or a PL/I structure name
- Leading object: Contract, Claim, etc.
- Number of data sets to retrieve: Such as all, only one selected as an example, only primary Policy Holder, or a filter for specific data sets.
- Filter name: This can be filled with customer-specific values or the name of a sub-program for filtering specific information within the data sets.

Explain the typical steps for creating batch documents.

- Print data collection: The Operational Data needed for the documents and sorting criteria are collected from the ABS database.
- The collected data is enhanced through the addition of Defining Data, the application of rules on the data or the use of mathematics.
- Data sets are prepared in a format suitable for the output management system. This output management system, like Thunderhead or Compuset, is then employed to generate the documents.
- These data sets are sorted and split into packets to enable printing on different paper forms or shipping based on their local or foreign postal codes.
- After sorting, splitting and packaging the documents, the output management system creates the actual documents in AFP and/or PDF format.
- The AFP files created by the output management system are handed over to the print provider for printing the documents on paper and shipping them to the corresponding recipients. Either the print is done in-house or it is handed over to external print providers. The external provider then handles the actual printing on high-volume printing hardware and also ships the printed documents.
- PDF files typically hold single documents and are created only when required by the corresponding Business Object. The created files are then persisted in the ABS database as binary large objects, or so-called BLOBs. Persisted as BLOBs, they are available in the relevant document lists for viewing in the ABS Rich Client. After a defined period of time, they are moved from the database into the archiving system, leaving a reference behind in the ABS database indicating the position or address in the archiving system where they are stored.

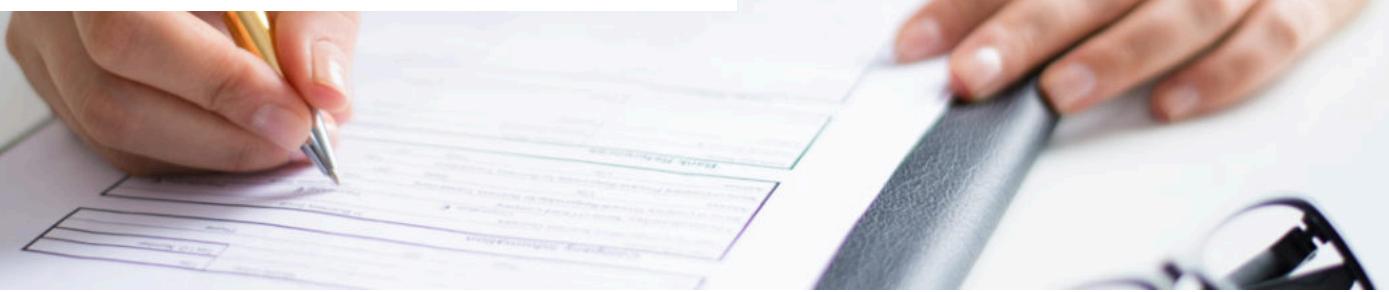


Definitions

AFP

Letter Writing Overview & Demo

ABS Letter Writing



Letters in ABS are predefined interactive communications.

- Each letter is based on an individual ADA definition that may optionally prompt the user with a series of popups (e.g. selection of persons, text blocks, or output channels).
- Letters are manually triggered from one of the following files: person, contract, claim, accumulation risk, feedback.

- Each letter definition specifies for which type of file it is applicable.

For instance, letters available for the person file differ from those available in the contract file.



Letter Writing Demo

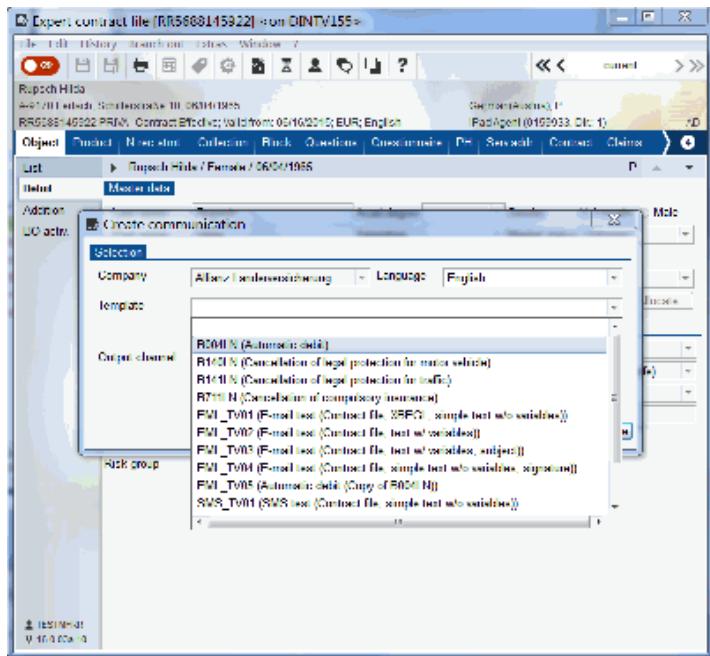
Check out the slider to know more.

A screenshot of a computer application window titled "Expert contract file [RR5688145922] <on DINTV155>". The window has a menu bar with File, Edit, History, Branch out, Extras, Window, and ?. Below the menu is a toolbar with icons for Modify (F7), Search, Print..., Create communication..., Save (Ctrl+S), Save + Close (F3), Close (Alt+F4), Print cover.elements, and Create copy. A status bar at the bottom shows "TESTMFRR" and "V 16.0.03a.10".

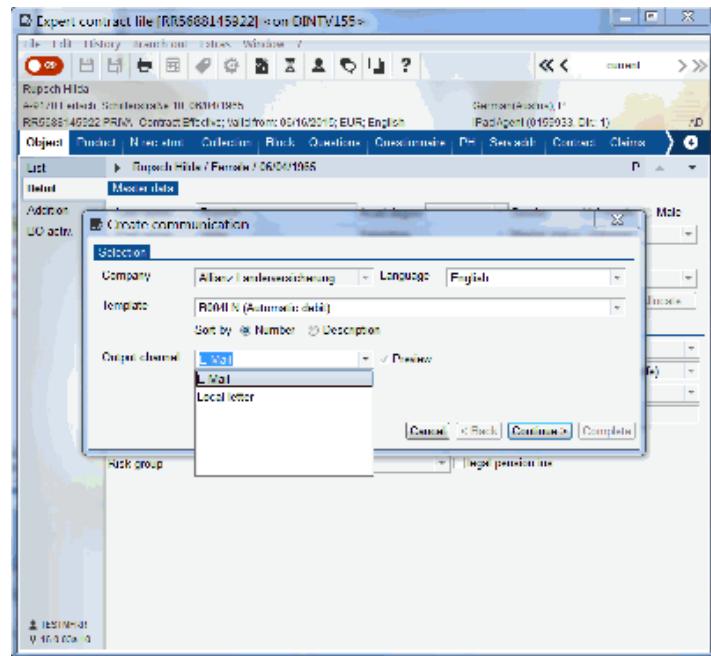
The main area contains several input fields and dropdown menus:

- From: 06/16/2015; EUR; English
- German(Austria), P
IPadAgent (0159933, Dir: 1)
- Date: 06/04/1965
- Block, Questions, Questionnaire, PH, Serv.addr., Contract, Claims tabs
- Acad.degree, Gender (Female selected), Salutation, Marital status (Unknown)
- Middle name, Date of birth (06/04/1965 / 01/01/0001), Citiz.sh., Add-on, Tax-ID No., Acc.mgr., Country of birth, Enterprise type, SSNo.
- Addresses: PR, A-9170 Ferlach, Schillerstraße 10
- Occupation: Occup., Employment (Not employed (incl. housewife)), Industry, Enterprise type, SSNo.
- Statutory accident ins., Risk group, employed, legal pension ins.

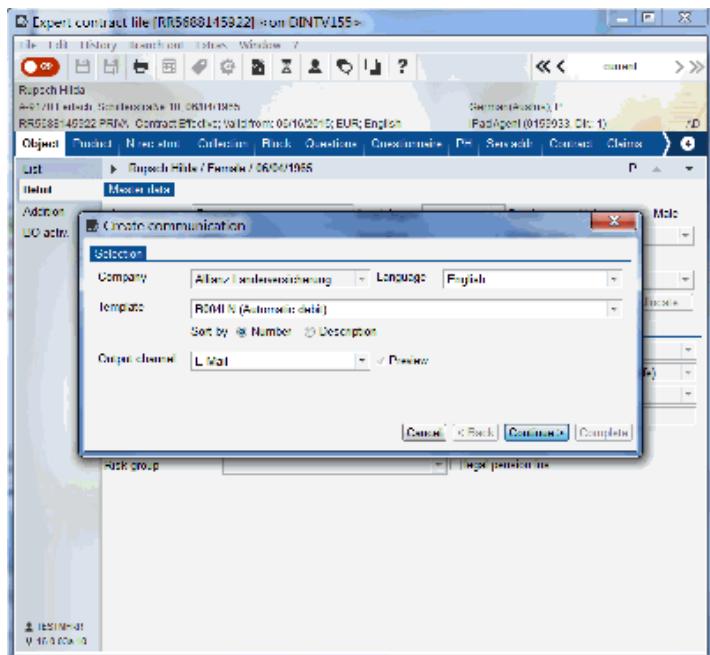
In the contract file, select File -> Create communication.



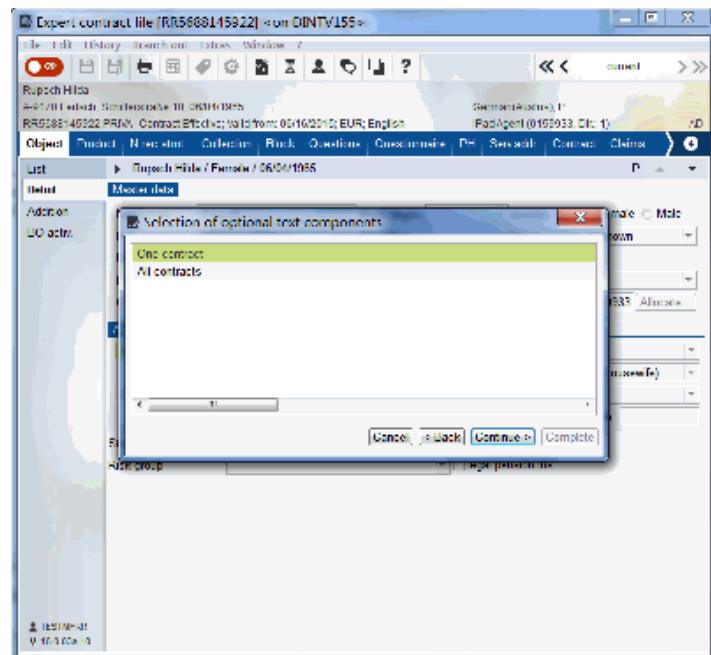
A pop-up with all defined letters is displayed. Select the desired letter.



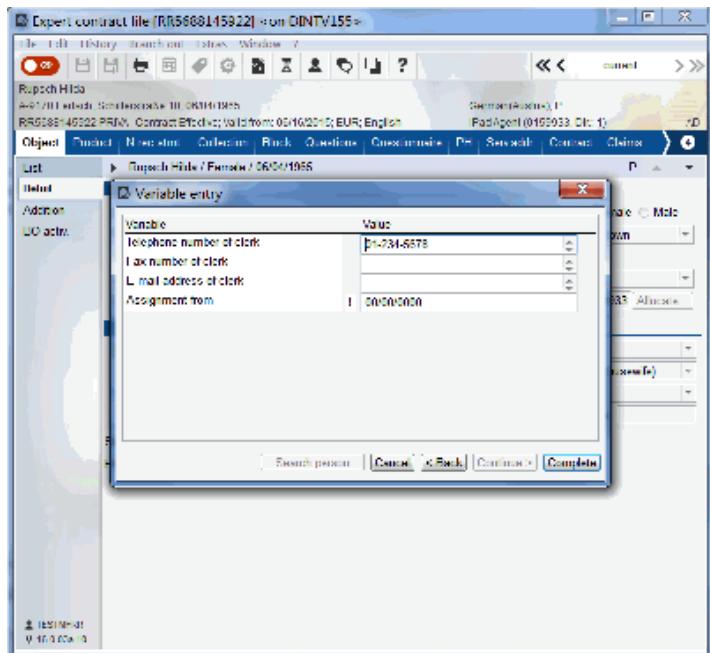
You can also select the letter's output channel and language.



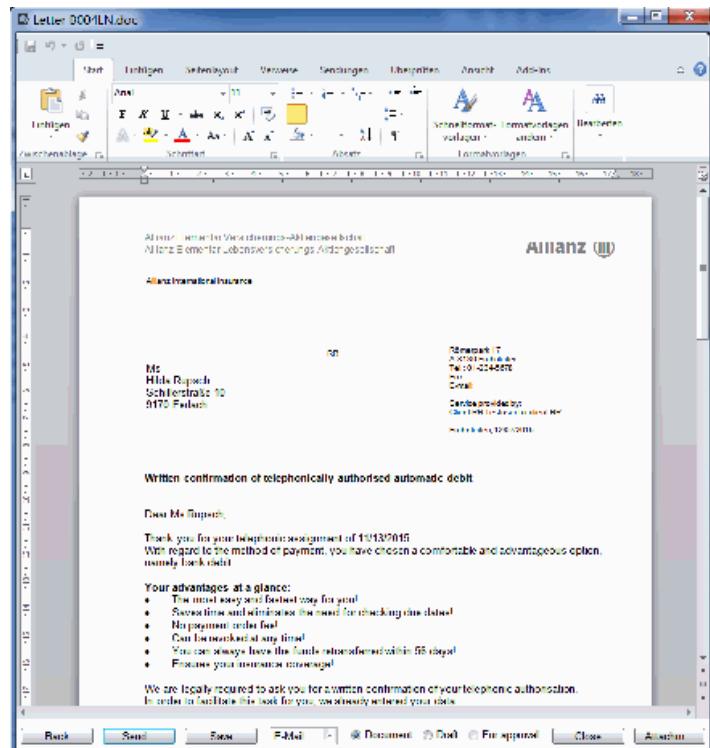
Click Continue to proceed.



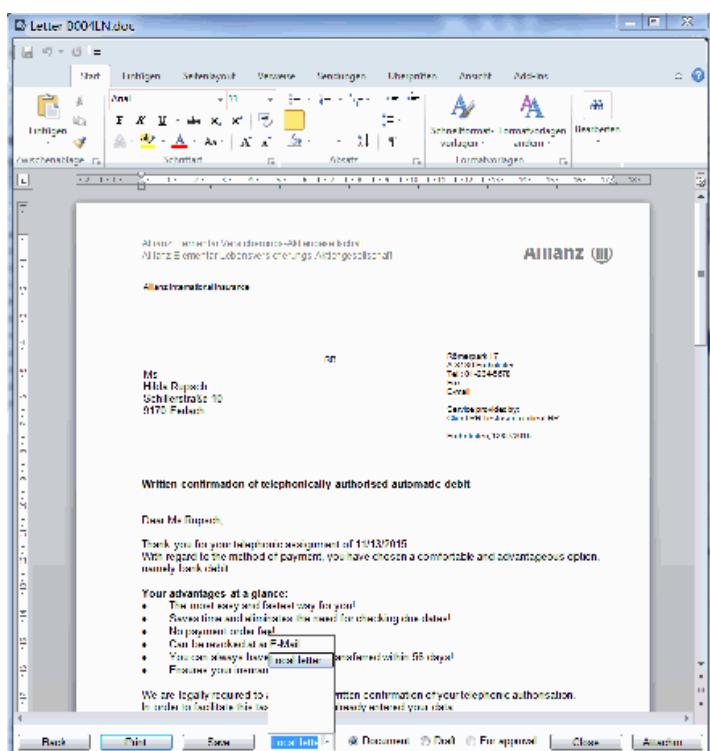
Other pop-ups may be displayed to gather additional information, depending on the letter and local configuration. In this example, you would select one of the two options offered.



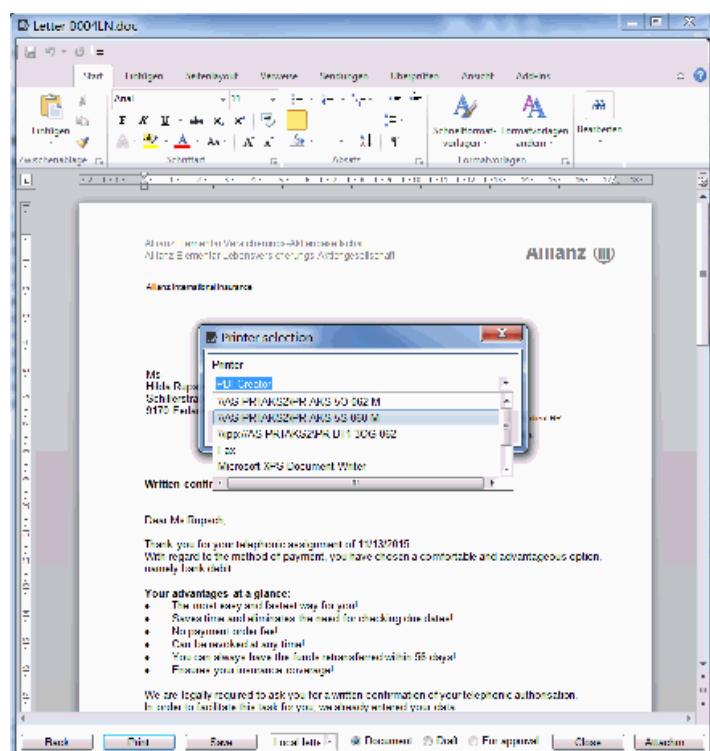
In this optional pop-up, you can enter values to be included in the letter. In this example, the value for assignment from is mandatory, as indicated by the exclamation mark. The values for selection are also dynamically built, based on the letter definition.



All data required to create the letter has now been collected from the ABS database and/or entered manually. The letter is displayed in a pop-up for review, where it can be modified before printing or sending.



The output channel can be selected at this point, as well. Local letter prints it on a local printer. Email sends the letter, in PDF format, as an email attachment.



For local printing, after Print is clicked, the list of printers is displayed for selection. Upon selecting the desired printer, the letter is printed out. The letter is added to the contract's document list, in PDF format.

Interactive Exercise

ABS Letter Writing



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Let us try an interactive exercise based on the demo you watched.



Definitions

Contract

Assignment

Document Templates

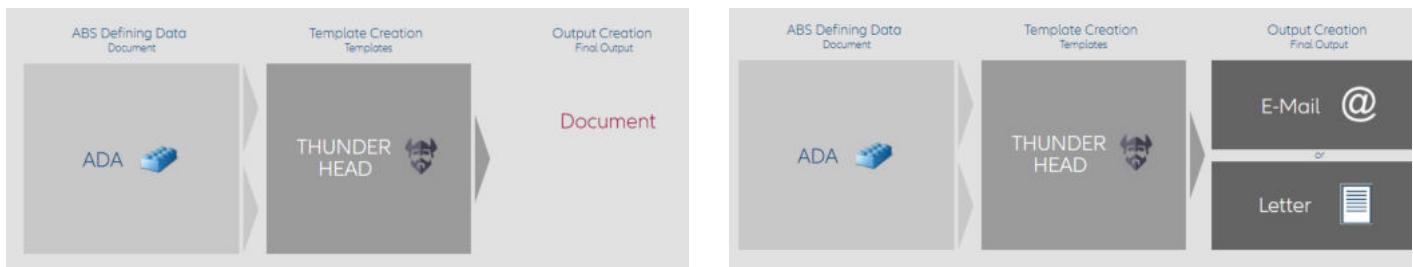
ABS Letter Writing



Document generation in ABS letter writing is a two-step process:

- The raw business data is extracted from the ABS database. To define the rules regarding which data needs to be extracted for specific letters, the ABS Configuration Suite provides the tool ADA.
- The extracted data is then merged with a related document template to produce the final letter. The document templates are typically defined with the group solution "Allianz Output Management System" (AOMS, based on the commercial product Thunderhead).

ABS Core supports AOMS for letter writing out-of-the-box. Customers can also integrate other products. Move the slider from right to left.



ADA definitions are by default stored in ABS defining data (in the "document template" entity TDOKVORLAGE_DEF).

Alternatively, storing ADA definitions in the Thunderhead content management system is also supported. As each ADA definition is directly related to its corresponding Thunderhead document template, it may be convenient to maintain both in the Thunderhead CMS.



Definitions

Defining Data

ABS Configuration Suite

Data Extraction Rules

ABS Letter Writing



i

Data is extracted from the tables that make up the enterprise data model; the rules are therefore based on these tables and built from contexts and variables.

Contexts are used to reference a table from the enterprise data model where the context name identifies the table. There are generic contexts, that can be used to navigate along the relations that are predefined in the enterprise data model, specifically the ORBIT data schema used by the ABS Rich Client and portals, (for example contract # coverage # coverage item), and programmed contexts that are implemented in Java to use arbitrary business logic for navigating from one table to another.

Variables are used to retrieve the actual data from table attributes. Generic variables directly reference the ABS table attributes, while programmed variables apply business logic to deliver arbitrary values.

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The data rules are defined using ADA.

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Definitions

Enterprise Data Model

Coverage

Coverage Item

ADA and AOMS (Thunderhead)

ABS Letter Writing



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Thunderhead is an Allianz Group standard product for document generation licensed from Thunderhead Limited.

The Allianz Output Management System (AOMS) is a service provided by Allianz Technology SE; it is based on the Thunderhead product and provided to all Allianz Group members as a shared service. In Thunderhead, document content and layout templates are designed and documents can be created based on these templates.

To create a document, raw business data from ABS is passed to Thunderhead (like address data of the letter recipient, or a policy number, or claim-related data), and Thunderhead merges the data with a Thunderhead document template. Thunderhead is able to create output in several formats, like PDF, Postscript, AFP or HTML.

The screenshot shows the Thunderhead Document Assistant interface. The title bar reads "Document Assistant [on Thunderhead (A4077)] <on DGINT155.BABS - International envir...". The main window has tabs for "Project Elements", "CMS", and "Batch". The "Project Elements" tab is selected, displaying a list of ADA definitions. One definition is expanded to show its details:

Name	Description	Details
ATH108LN	Expiry cancellation	
ZUADR[>ZUADR]	ADDRESS	exactly 1
ADRZUS	ADDRESS_SUPPLEMENT	
HAUSNR	HOUSE_NUMBER	
KZADRZUS	Flag ADDRESS_SUPPLEMENT	
ORTSCHAFT	TOWN	
POSTFACH	PO_BOX	
POSTLANDSCHL	COUNTRY_CODE	
POSTLEITZAHL	POSTAL_CODE	
STIEGE	STAIRCASE	
STRASSE	STREET	
TUERNR	APT_NUMBER	
VERSANDVERMERK	DISPATCH_NOTE	
ZUADRPERS...DRPERS]	Flag PERSON	exactly 1 (KZPERS=J)
KZPERS	SEX (NATPERS)	(KZPERS=N)
GESCHLECHT	TITLE (NATPERS)	DOM[TNATPERS...D](KZPERS=N)
AKADGRAD	SALUTATION (NATPERS)	DOM[TNATPERS...L](KZPERS=N)
ANRTITEL	SURNAME (NATPERS)	(KZPERS=N)
FAMNAME	FIRST NAME (NATPERS)	(KZPERS=N)
VORNAME	COMPANY NAME (JURPERS)	(KZPERS=J)
FIRMENNAME	NAME SUPPLEMENT (NATPERS)	DOM[TNATPERS...TZ](KZPERS=I)
NAMZUSATZ	SYSTEM	exactly 1
SYSTEMI->SYSTEMI		

ADA, the ABS Document Assistant, is part of the ABS

Configuration Suite. In an ADA definition, data extraction rules are defined to extract business data from the ABS that is passed to Thunderhead to create a document. The ABS customer can choose to store the ADA definitions either in ABS defining data, or in the Thunderhead CMS (Content Management System), together with the Thunderhead templates.

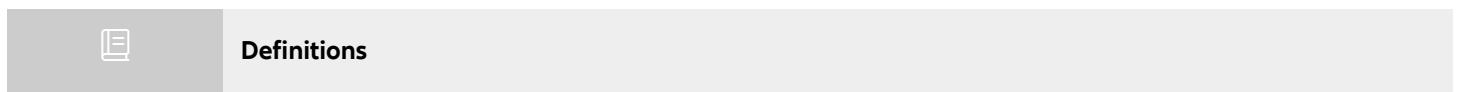
Each ADA definition represents a letter that can be written. For each ADA definition in ABS, a related Thunderhead document layout in Thunderhead needs to be created. This is the reason why ADA definitions can also be stored in the Thunderhead CMS: in this way they can be managed and deployed together with the related Thunderhead templates.

When you write a letter, ABS extracts the raw business data, based on the selected ADA definition, and passes the data to Thunderhead, where the data is merged with the matching Thunderhead template to create the document.

An ADA definition determines:

- In which context (in which ABS file: contract, claim, etc.) it will be available
- Which company or companies it can be used by
- Which output channels will be available
- Which components and variables are mandatory and
- Which items are optional.

With ADA/Thunderhead, management of data extraction rules (in ADA) is separate from the document content and layout management (in Thunderhead). They can be handled by different departments, such as data extraction being a concern of IT, while document content and layout are within the scope of marketing.



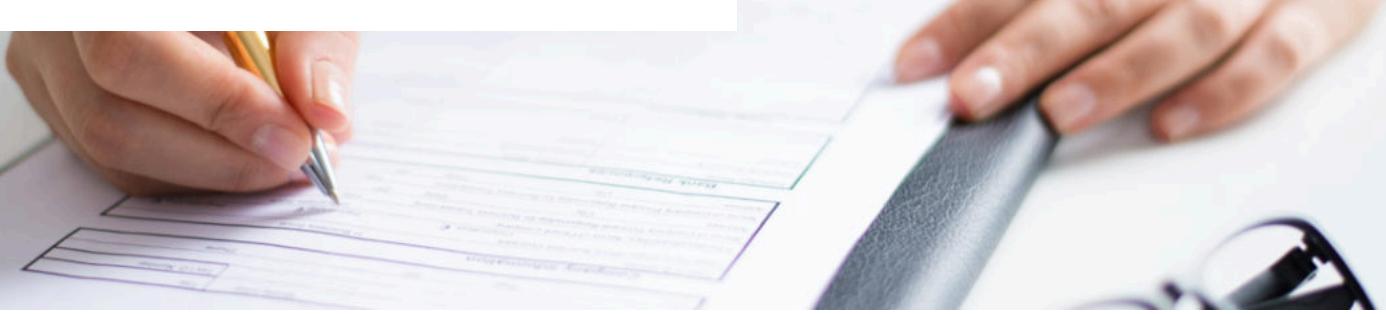
[AFP](#)

[Defining Data](#)

[ABS Configuration Suite](#)

Document Template Section

ABS Letter Writing



When selecting a document template for letter writing, the ones on offer are selected based on several factors.

- If the user is active for more than one company, he may have to choose which company he wishes to create a letter for. This will only be the case when a letter is written from the context of a functional object that does not belong to a specific company – for example, a Person.
- The available languages represent the client languages of the selected company, and the user will be given a choice if there is more than one.
- Which document templates are offered is based on the context and the selected company, and they are displayed based on the selected language.
- The available output channels depend on the selected document template and might include one or more of the following: local printing, central printing, sending as an email attachment.



Local printing refers to printing the letter on a local printer, whereas central printing means that the letter will be initially created online, but printed by a large-scale printing facility and dispatched via central mail processing. For this purpose, a scheduled batch task is used. Email refers to sending the letter electronically in the form of a PDF attachment.



Definitions

Functional Object

Interactive Content Generation

ABS Letter Writing



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After selection of an ADA definition (of a letter) , the raw data is retrieved from the ABS database.

If the ADA definition is ambiguous, pop-up windows are displayed to resolve the ambiguity.



The letter definition states that one coverage of the current contract shall be retrieved, but the contract comprises multiple coverages. A list of all coverages within the contract is then presented, and you have to select one.

Likewise, variable values and option lists may be configured in the ADA definition for entry. Depending on their definition, letter variables may be optional or mandatory, and you may be required to select from a drop-down list, enter plain text or adhere to a predefined format (e.g. date).

Finally, a document editor will be opened, which will provide you with the opportunity to manually edit the contents of the letter. For Thunderhead, the editor provided by Thunderhead was integrated into the ABS RC client.



Additionally, you can select documents to be attached to the letter. The available documents are those referenced in the document list of the Functional Object of interest, which provides you with the option of adding any document that has been saved in that list – including those that you uploaded from your local computer.

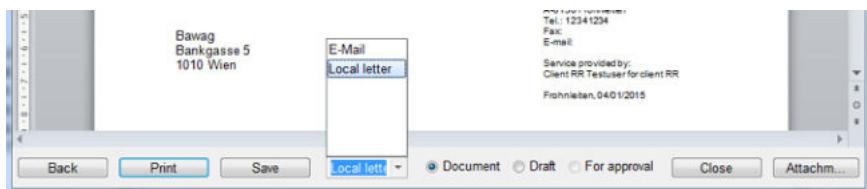
Document Output and Document List

ABS Letter Writing



After finishing the document, you are given the option of printing it, or sending it as an email attachment.

It is also possible to save in the form of a draft, or to mark it for approval. If the selected output channel is central printing, a scheduled task is created, and processed by the batch.



As soon as the letter is sent or printed, it is stored in the ABS database as a PDF, and an entry in the document entity is created and linked to the relevant functional object.

If the letter is sent by email, an additional PDF is stored for the email. Drafts are also saved, but in their native format - they are converted to PDF only after sending or printing, see above. These documents, as well as selected additional information, can be found in the document list side-tab of the relevant functional object.

Object	Product	N.rec stmt.	Collection	Block	Questions	PH	Serv.addr.	Contract	Claims	Applications	...
Activ. contr.	Display option	Contract-related documents									<input type="checkbox"/> Show document archive
Amendm.type	<->	Medium	Document type		Date/Time	Description					
Log	Outgoing	Local letter	Letter		11/11/2015 16:37	B004LN (Automatic debit)					
Risk text											
Terms/cond.											
Campaign											
BO-activ.											
Documents											



Definitions

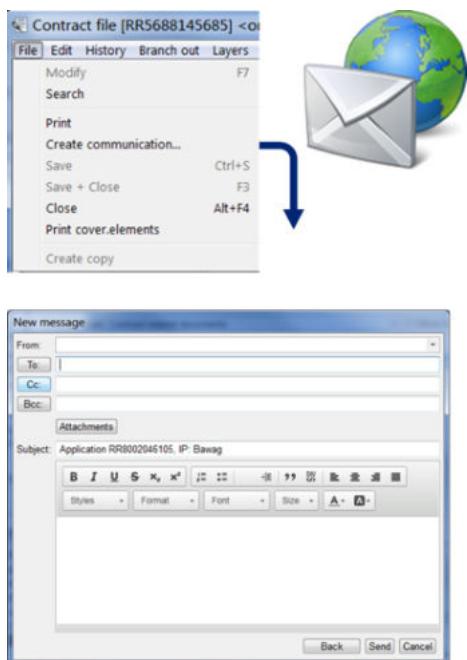
Functional Object

ABS Email Writing

ABS Letter Writing



Similar to letters, emails are created from within the context of a specific file, e.g. the person file.



Emails though are manually triggered by the user. Writing emails is triggered via the file menu option "Create Communication" where optionally a template for the email can be selected to provide subject and email body. The email editor features fields for selecting or entering the sender address, recipient addresses, a subject, and the text body.

Compared to external email clients, ABS functionality offers several advantages. The email is created from and saved within a specific ABS context. Similar to letters, each email is stored in the ABS database as a PDF; an entry in the document entity is created and linked to the relevant functional object.

The sender's address is typically based on the user's team or address location, but under certain circumstances may also be his or her employee email address. The user can select recipient addresses from the communication data of the persons connected to the file of interest, or perform a database search for persons, including employees, and use their communication data.

Furthermore, it is possible to attach documents from the document list of the relevant functional object. Nevertheless, the ABS email functionality is not meant to replace an external email client. It offers neither an inbox, nor the ability to attach files not connected to the functional object of interest.



Knowledge Check

Which files grant access to ABS letter creation?

Person, Contract, Claim, Accumulation Risk, Feedback.

What advantages does ABS email writing offer compared to external email clients?

- The email is created from and saved within a specific ABS context. Similar to letters, each email is stored in the ABS database as a PDF; an entry in the Document entity is created and linked to the relevant functional object.
- The sender's address is typically based on the user's team or address location, but under certain circumstances may also be his or her employee email address. The user can select recipient addresses from the communication data of the persons connected to the file of interest, or perform a database search for Persons, including employees, and use their communication data.
- Furthermore, it is possible to attach documents from the document list of the relevant Functional Object.

After creating an interactive letter, which choices does the clerk have to send them out?

After finishing the document, you are given the option of printing it, or sending it as an email attachment. It is also possible to save or send the document in the form of a draft, or to mark it for approval. If the selected output channel is central printing, a scheduled task is created, and eventually processed by the batch.

What happens if the ADA definition is ambiguous? Give an example!

Pop-up windows are displayed to resolve the ambiguity.

Example: the letter definition states that one coverage of the current contract shall be retrieved, but the contract comprises multiple coverages. A list of all coverages within the contract is then presented, and the employee has to select one.

Describe ADA and what it is used for in the context of output management.

- ADA, the ABS Document Assistant, is part of the ABS Configuration Suite. With ADA, data extraction rules are defined to extract business data from the ABS that is passed to Thunderhead to create a document. The ABS customer can choose to store the ADA definitions either in ABS defining data, or in the Thunderhead CMS (Content Management System), together with the Thunderhead templates.
- Each ADA definition represents a letter that can be written. For each ADA definition in ABS, a related Thunderhead document layout in Thunderhead needs to be created. This is the reason why ADA definitions can also be stored in the Thunderhead CMS: in this way they can be managed and deployed together with the related Thunderhead templates.
- When a letter is created, ABS extracts the raw business data, based on the selected ADA definition, and passes the data to Thunderhead, where the data is merged with the matching Thunderhead template to create the document.

Which aspects are defined when creating a document template? Name five.

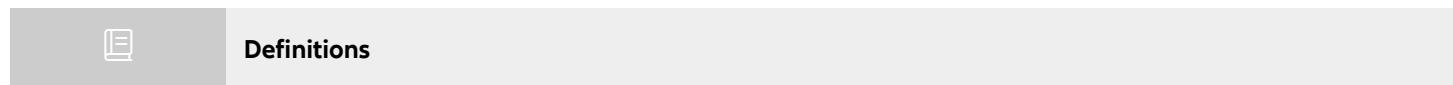
- In which context (in which ABS file: Contract, Claim, etc.) it will be available
- Which company or companies it can be used by
- Which output channels will be available
- Which components and variables are mandatory and
- Which items are optional.

Which types of variables can be used when creating extraction rules?

Variables are used to retrieve the actual data from table attributes. Generic variables directly reference the ABS table attributes, while programmed variables apply business logic to deliver arbitrary values.

Which tools are supported for print output data definition?

Product Explorer (for Microsoft Word based letters) and ADA (for Thunderhead based letters).



Online Printing Overview

Online Printing



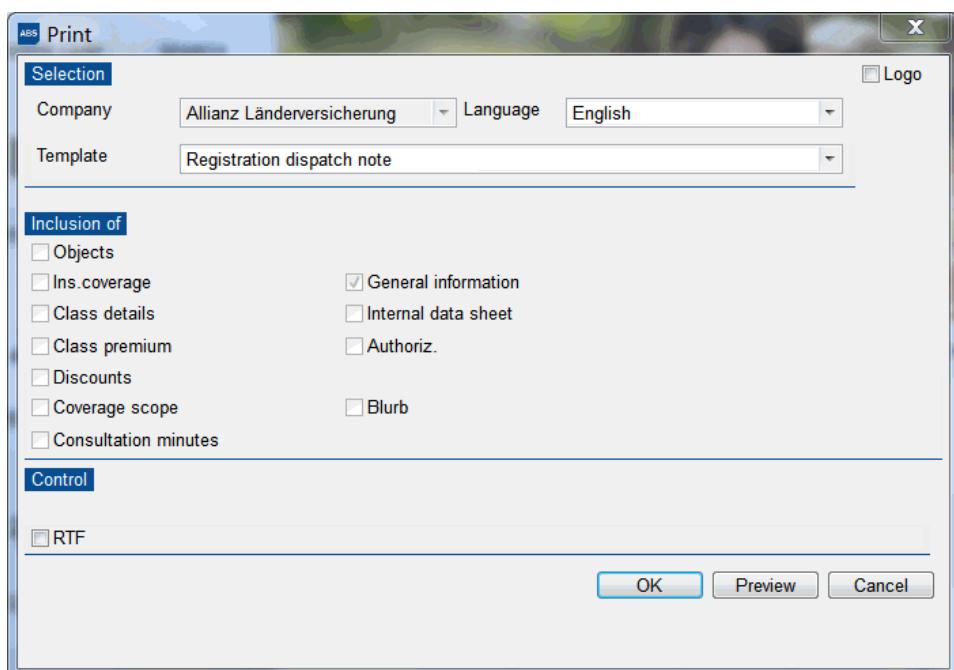
Online printing covers all non-interactive online document creation in the ABS Rich Client and portal, in contrast to interactive letter writing and offline batch printing.

In the ABS Rich Client, the related functionality is invoked by clicking the File # Print. The document to be printed is selected from a pop-up window.

This pop-up allows for the selection of certain parameters prior to printing to control the layout and content of the generated document, such as language and document type, or class details and coverage scope or discounts. Documents can be previewed and printed, but they are not editable.

The available documents are defined in the document template entity, using the product explorer application PEX. Not all documents need to be archived.

The document type attribute of the document template allows for the configuration of certain archiving options. Possible values are "no archiving," "option to archive" (the user can then decide) or "mandatory archiving."



ABS manages only the list of available template names; the actual document creation needs to be implemented by the customer. The ABS Rich Client provides APIs to utilize AOMS or BIRT; any other document generation system can also be integrated.



Definitions

[PEX](#)

[BIRT](#)

Business Intelligence Reporting Tool (BIRT)

Online Printing



BIRT stands for Business Intelligence and Reporting Tools.

It is an open-source top-level software project within the Eclipse Foundation that provides reporting and business intelligence capabilities for rich client and web applications, especially those based on the Java programming language, which is the case for ABS Core. In the ABS Core, BIRT is used as a software component for the creation of documents and reports.

BIRT was also utilized by ABS customers for online printing and to create documents, before AOMS was available. ABS Core provides several pre-defined standard BIRT templates, such as an international motor insurance card, a notice of loss form, a customer summary and a list of coverage items, among others. In addition, customers can implement their own customer-specific reports.



Knowledge Check

Is BIRT a printing alternative comparable to the AOMS?

No. BIRT provides only limited functionality, it is in particular not suitable for interactive letter writing or large volume document generation. It can be used for online printing only.



Definitions

Coverage

BIRT

Saving Documents & Document List

Authorization

Archiving in Document List



Most finished documents will be saved and referenced to the corresponding functional object in the document list.

For this purpose, the created document is persisted as an entry in the document entity. This data entry serves as a link between the functional object and the document. This results in the document being visible in the corresponding document list. Whether or not documents will be saved depends on their creator and their configuration.

Object	Product	N.rec.stmt.	Collection	Block	Questions	PH	Serv.addr.	Contract	Claims	Applications	>	3
Activ. contr.												
Amendm.type												
Log												
Risk text												
Terms/cond.												
Campaign												
BO-activ.												
Documents												

For documents that are created by batch printing, as well as ones created by online print requests, it can be configured as to whether these documents shall be persisted or not. Documents created with letter writing are always saved in the document list.



Document List Authorization



- A user's access to a certain document list can be restricted in several ways.
- He or she may not be allowed to see the document, open it, or even modify the document list details. Authorizations with regard to a specific sensitive type of document may be defined in the document template based on a sensitivity flag or the document type itself.
- The sensitivity flag allows for setting a value from 0 to 9, signifying an increasing level of sensitivity.

- Furthermore, documents can be distinguished based on their type, which provides the opportunity of using the different types of documents for varying authorization purposes. For example, a user might be allowed to see sales letters, but not medical experts' documents.



Definitions

Functional Object

Incoming Document Processing

Input Management

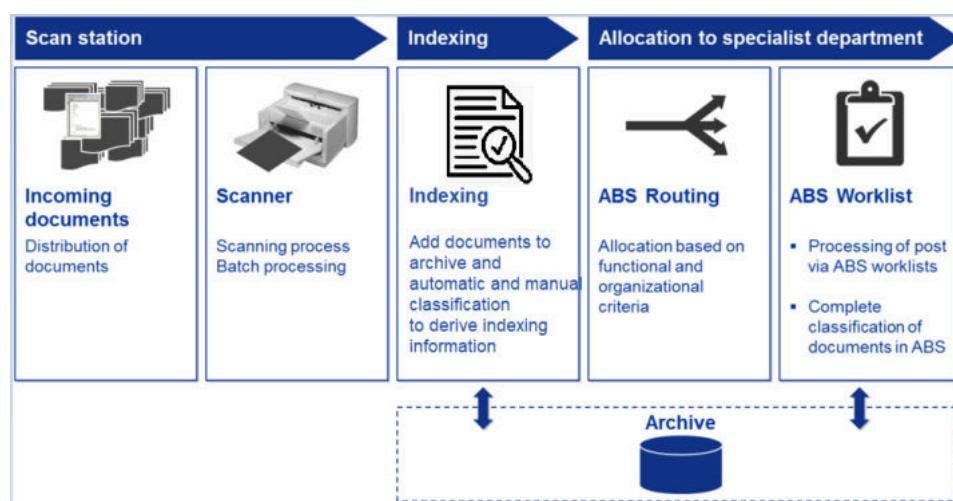


i

Incoming documents are managed via a standardized process outlined below.



Input Management



Incoming Document Processing

1. **Preparing and Scanning:** incoming mail can be business object-relevant mail and internal mail and its distribution. Incoming mail is scanned and added to the archiving system. Any mail that is relevant for handling in ABS is then forwarded to indexing.
2. **Indexing:** in this step, the related business object for an incoming document is identified. If that is not possible, a document work list queue is identified for further handling. Steps 1. Preparing and Scanning and 2. Indexing (explained above) are performed by the input management system, which is not part of, but integrated in ABS Core.
3. **Allocation:** the document index information is then entered into ABS. The documents will show up in ABS worklists and are routed to clerks. ABS offers different types of routing depending on the affiliation of a document to an existing business object as described in the module workflow.
4. **Processing:** processing of allocated documents by the clerk in the work list

In the following section, all process steps of input management are described in detail.



Preparation and Scanning

- Incoming documents are separated into internal and ABS business object-relevant documents
- Documents are prepared for scanning (remove envelopes, paper clips, etc.)

- Documents are divided into scanning stack (document stack) and addition of separator sheets (data matrix with the index information, on the other fixed patch codes, which display a signal for "separator page" to the scanner)
- Documents are scanned and additional customer specific functionality can apply.



Indexing

- Either the related business object in ABS, or the appropriate document work list queue for further handling is identified by indexing.
- If possible, the documents are automatically indexed. Technologies applied here are data matrices that are printed on the document (it typically contains information about the business object such as the policy or claim number), optical character recognition (ORC), intelligent character recognition (ICS), or artificial intelligence (AI) systems.
- Manual indexing is done if automatic indexing was not possible. A clerk inspects the document and searches in ABS for the related business objects to provide the indexing information.



Allocation to the responsible team or clerk

- The data gathered during indexing is automatically entered into ABS by the input management system.
- If the ABS business object was identified during indexing, the document is attached to the business object, a task for handling the document is created and routed to the appropriate work list.
- Otherwise the document is added to the document work list queue which was identified during indexing for further handling.
- The team leader assigns documents for processing to individual clerks.



Processing

- Processing of allocated documents by the clerk in the work list
- A clerk handles the assigned documents in the work list
- Each line in the work list references a scanned document in the archive
- If a document was not yet assigned (documents from the document work list) or was assigned incorrectly (documents from any other work list), the clerk also assigns it to the appropriate functional object



Archiving

- Incoming documents are archived (invisible to any clerk) through downstream batch processes.
- Either as a blob: document is archived directly in the ABS DB as a binary large object (BLOB)

- Or into an external document archive (like Filenet) and a link to the document is saved in ABS



Knowledge Check

Explain the term "indexing".

With indexing, an incoming document is assigned to an ABS business object - or to the document worklist, if no related business object can be identified.

Is document scanning part of the ABS Core?

No. This is done by an input management system, like the Allianz Group solution AIMS ("Allianz Input Management Solution").

Are incoming documents always stored in an archive?

No. There is also the option to store them in the ABS Core database and move them to an archive at a later point in time.



Definitions

Routing

Business Object

Introduction

Introduction

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This module about group business describes the ABS functionalities for setting up and managing group business contracts.

Group business is derived from the contract file. It is considered a contract-related enhanced functionality of ABS



The image shows all available ABS domains and depicts their connection to each other.

Group business as an enhanced contract functionality uses the same cross-cutting and basic functionalities as contract, i.e. person (party management), organization, product, document management, workflow and collection & disbursement.

What is Group Business?

Introduction



The term Group Business is a comprehensive term and relates to agreements between an insurance company and a partner.



- Such a partner for group business can either be a company with a high number of persons or objects to be insured, or a company working as a broker. As a result, the ABS group business functionality covers the sales channels B2B and B2B2C.
- Due to the large number of insurable persons/objects, the business partners can have high bargaining power.
- Therefore, highly flexible agreements for each business partner need to be administered in ABS.

In group business, many lines of business can be relevant and thus managed within ABS, for example:

- Non-life fleets such as motor vehicle fleet business or property insurance
- Life occupational pension insurance
- Travel insurance and assistance



There are different use cases which can be handled within group business:

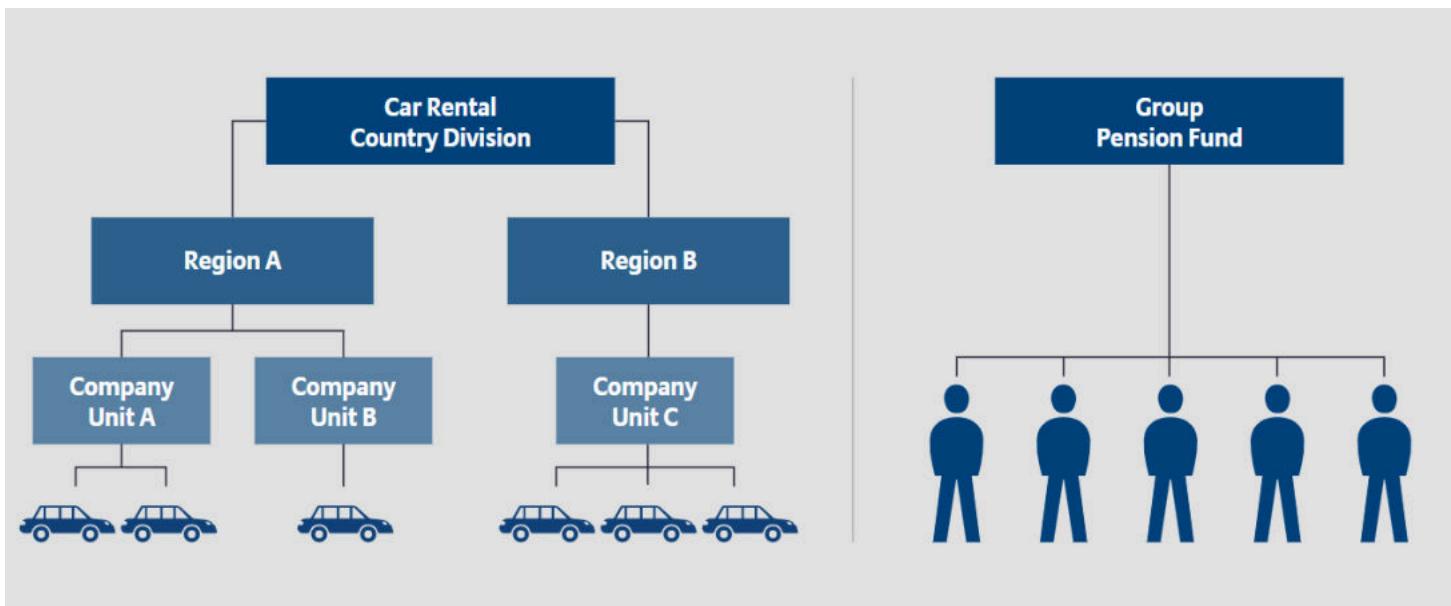
- **Master contract with package:** A group business contract can be used for a specific business partner with many individual contracts. The group business contract serves as a template for creation of individual contracts, as well as to control and manage them.

- **Open policy with package:** If a contract with the same features is to be reused for different business partners with the possibility to manage the certain sales channels, group business can be relevant as well (for example travel insurance).

The focus is on the first variant (contract type: master contract with package). Details on the second variant (contract type: open policy with package) are not within the scope of this module.



The picture illustrates two typical use cases in group business:



A company wants to insure its entire fleet at Allianz.
A company wants to have group pension funds managed by Allianz.



Definitions

Group Business

Contract

Master Contract with Package

Requirements and Consequences

Introduction

i

The main requirements covered by ABS group business functionalities are (check the slider):



A large number of individual contracts belonging to this business partner can be created, controlled and managed (manually or automatically using the master contract interface).

It is possible to reuse standard insurance products (different product configurations, rules and validations).

A company hierarchy can be created, shown and managed.

Reusability of group contracts and control over sales channels is provided.

A group business contract can show and manage a complex and highly flexible agreement with an individual business partner. The business partner can be both a natural person or a legal person.

The same class can be insured several times in a group contract by using product packages, but must be still unique within one product package.

Premium can be either fixed (different sets of fixed premiums can be configured) or separate tariff logic can be implemented which considers the objects of the individual contracts for calculation of the individual premium. The master contract itself has no premium since it only represents the agreement. The individual contracts are containing the risks. Therefore also the premium calculation is done on the level of the individual contract.

Inheritance within the group business contract, within the contract hierarchy and to the individual contracts is possible.

The account type group business account (GBA) can be used, where bookings of related individual contracts are aggregated on group business contract and clearing happens on individual contract on incoming payment.

Due to these complex requirements, a separate group business file was introduced to:

- Maintain separate contract types for group business: master contract with package, open policy with package and lead contract.
- Use the entities tariff model, object class, product package and to support the configuration of master contract attributes. This is needed in order to define an agreement between the insurer and the business partner.
- Incorporate independent policy processing for group business contracts.

The group business file differs from the contract file as follows:

- In the master contract with package **only default objects** or persons are created. The specific objects or persons
- The functionalities related to the **top-tab product** in the contract file are incorporated in the top-tab agreement of the

to be insured (real risks) are defined within the underlying individual contracts. Thus, there is no top-tab object or insured person (IP) provided within the group business file.

- The specific **top-tab agreement** provides the functionalities to set up the structure of the master contract with package (tariff model, object class, product package, master contract configuration attributes etc.)

group business file. Coverages and coverage items can be assigned and edited on the product package level.

- One additional tab called **hierarchy** was created which provides an overview of the entire company/contract hierarchy at any time.
- No claims** can be created on the master contract level, but only on individual contract level (as the insured objects and/or persons are defined there).

Within the person file, using the edit menu, the contract group business, contract group business life and lead contract group business can be created:

Group business life contract has some specific functions and separated business logic for additional pre-allocated tables - e.g.

- life layer (TLEBENSCHICHT)
- life layer add-on (TLSCHZUSATZ)
- life layer detail (TLSCHDETAIL)
- life layer detail add-on (TLSCHDETAILZUS)
- pension annuity agreement (TPENSVEREINBG)
- entitlement to benefits (TBEZUGSRECHT)

therefore, it is handled in a separate group business life file.

Natural person file [Huber Markus] <on DCORV200>

File Edit Extras Window ?

Huber Markus

A-11: Prename

Per

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Add

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Sch. task agr...

Concession

Customer info

Interaction

Expectation

CC/Events

Feedback

Employee

BO-activ.

TESTALL

V 20.0.04a.34

Life Contract

Contract Provisional Cover

Contract other - sample

Contract vehicle - sample

Credit insurance contract

Life Check

Business Acceptance

Feedback

Contract Expert

Contract Active Reinsurance

Contract Co-Insurance

Contract Group Business

Contract Group Business Life

Lead Contract Group Business

Delete flag

Index document

New... Show Remove

German (Austria), P/CPE
Customer ID/Web ID: 47128550
Emberger Josef (1626902, Dir.: 2)
TA
Acceptance Contract Assets Claims Business Partner
Fietzinger Kai 12/1/1 01/01/1990
Acad. degree Gender Male
Salutation Marital status Unknown
Cust. lang.
Citiz. sh. Österreich Add-on
Tax ID no. Acc. mgr. 1626902 Allocate...
Occup. Wrecker
Employment
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Communication data
Commit... Number/Address Type Annotation Preferred Adver.con Status View
Email markus.huber-2687... Private
Email markus.huber-9754... Private
Add Remove
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Definitions

Natural Person

Legal Person

Product

Master Contract Interface

Group Business Account

Tariff Model

Product Package

Object Class

Contract Types

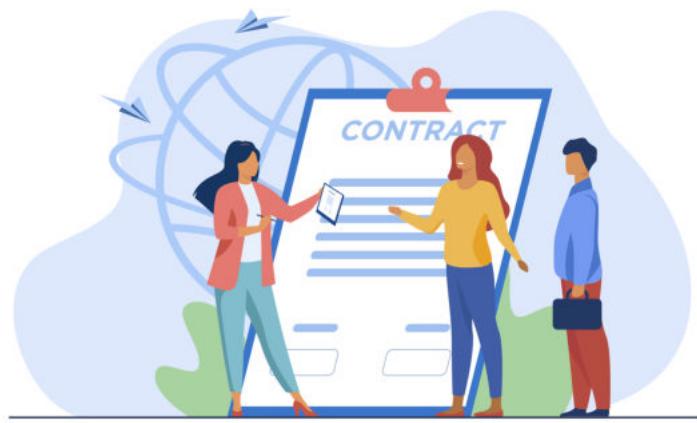
Introduction



The following three contract types - **master contract with package, open policy with package and lead contract** - are used to differentiate between existing group business solutions.

1. Master contract with package (contract type GR)

For contracts with this contract type, levels of tariff model, object class and product package can be used. Master contract configuration attributes can be defined for each level. A master contract with package serves as a basis for creating and managing large numbers of individual contracts. It can be incorporated into a contract hierarchy to represent the company hierarchy.



2. Open policy with package (contract type GG)

Open policy with package is a group business contract type, mainly short term, used for complex and highly flexible agreements with an individual business partner. It is usually provided to several business partners for the sale to individual customers (e.g. travel agents). Reusability and sales control for each business partner are in the main focus of this contract type.

In the group business file, for contracts with this contract type, the levels of tariff model, object class and product package can also be used.

Compared to a master contract with package, an open policy with package cannot be a basis for creating an individual contract. For this reason, non-recurring settlements can be created and policy-processed. In addition, an open policy with package cannot be incorporated into any contract hierarchy.



Let us look into an example:



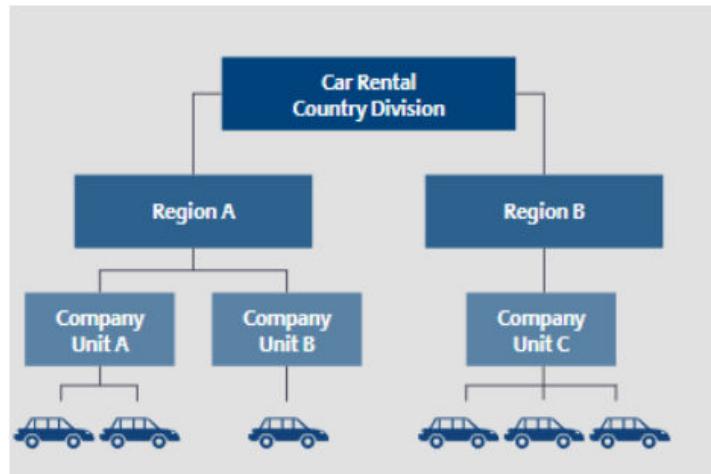
On a school excursion, you need insurance for the people participating without indicating all usually required details of the Insured Persons.

As a consequence, in ABS the insured persons are not indicated for the contract but are only entered in the system if a claim occurs. Therefore, a non-recurring premium would be paid for the insurance coverage.

3. Lead contract (contract type LV)

A lead contract serves, in particular, as the highest hierarchical level of a contract hierarchy for the aggregation of information and evaluations. It is mostly used for cases when there are more than one agreement which needs to be grouped so that the general top level agreement can be established. Using the lead contract type, it is possible to bundle more master contracts with package (also with different lines of business) together.

For contracts with this contract type there are no levels (tariff model, object class, product package) available.



Another example:



A car rental company wants to insure its entire fleet with Allianz. The company structure consists of multiple company units in different regions. For every region there is a different agreement (created as separate master contracts with package in ABS) but they all need to be grouped for reporting purposes. Therefore, the lead contract "Car Rental Country Division" can be created.



Knowledge Check

Which contract types can be used for setting up a group business agreement?

Master contract with package, open policy with package and lead contract.

Describe at least two use cases where the group business functionality should be applied?

A group business contract can be used for a specific business partner with many individual contracts - when a company wants to insure its entire fleet or pension for its employees (master contract with package). Group business can be applicable for travel insurance, when the contract with the same features is reused for different business partners (open policy with package).

What are main ABS group business functionalities?

A group business contract can show and manage a complex and highly flexible agreement with an individual business partner, manage his company hierarchy and high number of individual contracts, which can be created manually or automatically via master contract interface. Inheritance within the group business contract, within the contract hierarchy and to the individual contracts is possible. Different contract types and levels (tariff model, object class and product package), as well as separate contract file are therefore necessary.

Explain the calculation process in group business.

The premium of the individual contract to package can be either fixed and defined in the master contract or separate tariff logic can be implemented for individual contract to package. The master contract itself has no premium since it only represents the agreement. The individual contracts are containing the risks. Therefore the premium calculation is done on the level of the individual contract.

Can different lines of business be insured in the same master contract with package?

No, within the same master contract package only one insurance product can be used. In order to have more different lines of business grouped together a lead contract can be used.

What are the main reasons for creating an own group business contract life file in ABS Core?

Group business life contract has some specific functions and separated business logic for additional entities, so it is handled in separate group business contract life file.



Definitions

[Group Business](#)

[Contract](#)

[Master Contract with Package](#)

Levels, Usage & Demo

Levels for Master Contracts with Package



Let's start with an example to illustrate the levels within a contract.



A company wants to insure its entire fleet at Allianz. The company has different vehicle categories, i.e. cabriolets, limousines, trucks. The choice between standard insurance and premium insurance should be provided.

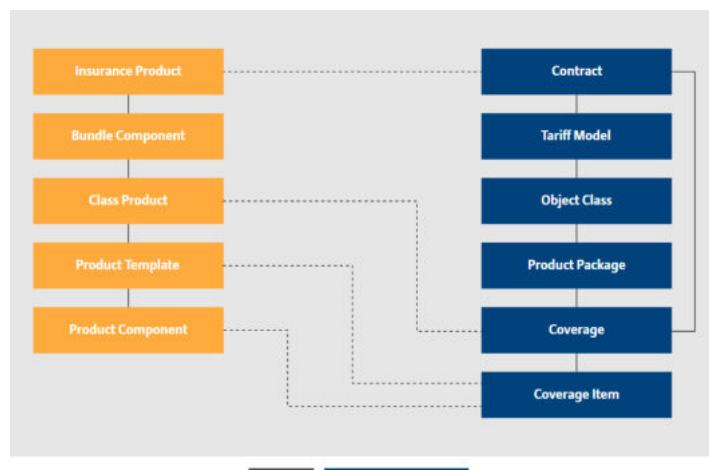
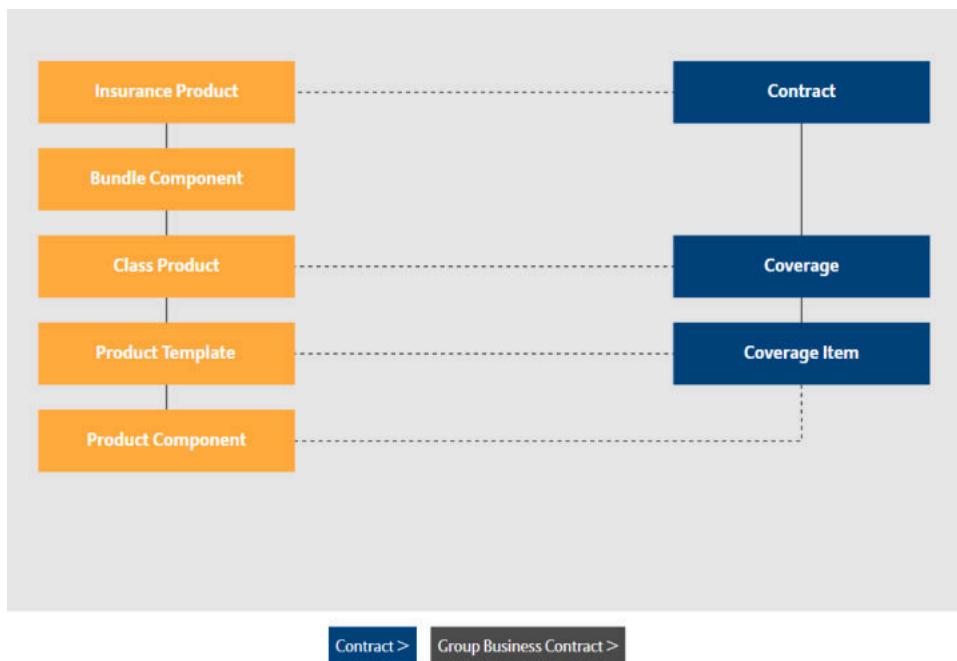
Solution for the aforementioned example in ABS:

- Three object classes: cabrio, limousine, truck
- Two product packages for each object class: standard insurance (contains only the coverage motor liability) and premium insurance (coverages: motor liability, collision comprehensive and passenger accident insurance)

The screenshot shows the ABS software interface with a menu bar (File, Edit, History, Branch out, Extras, Window, ?) and a toolbar with various icons. The main window displays a hierarchical structure of insurance products under an application named "Test ABS Core Digital Learning RR8000076597". The structure is organized by vehicle type: Cabrio, Limousine, and Truck, each with Basic and Superior variants. Under these, there are Motor liability Var. 1, Collision comprehensive, and Passenger accident coverages. A legend indicates that green icons represent Standard products and blue icons represent Premium products. A legend also defines State: Effective (green), Inheriting (yellow), and Mandatory (blue). An assignment flag column shows values like none, mandatory, and inheritance. The bottom left corner shows the user name TESTMFRR and the version V20.0.01.07.

A group business contract is based on the same entities as the individual contract. It has, however, been extended by several additional entities and functionalities needed to create and administer such complex contractual agreements.

The slideshow shows the usual contract-product data model and the extensions in relation to group business (master contract with package):



There are three additional levels on the operational side:

- **A tariff model** is an optional level in a master contract with package. It can be used for defining rate fundamentals data that can be applied to all underlying levels, i.e. individual contracts
- **An object class** is (technically) assigned to a tariff model. It can be used to group the risks to be insured (objects or persons). An example for an object class is 'limousine' or 'truck'. An object class is also an optional level in a master contract with package.
- **A product package** is (technically) assigned to an object class. It determines the scope of the coverage, i.e. can contain coverages and corresponding coverage items (deductibles, sums,..) within it. In one contract (master contract with package) as many product packages as needed can be defined and each of them can provide different scope of coverages and coverage items. There is of course a technical limit, which doesn't allow more than 999 product packages within one group business contract. The usage of product packages offers the possibility to define the same coverage (Class_own) several times in the same

The use of the levels is fully flexible and driven by the requirements of the respective agreement. It is even allowed to have a group business contract without any of these levels.

contract with different configuration. This is not the case for the standard contract.

A product package can also be empty so the actual coverages are to be defined in the individual contracts. Also, a product package does not need to be used at all. In that case, the whole agreement and configuration must be defined on the levels above with the usage of configuration attributes.



Different Usage of Levels



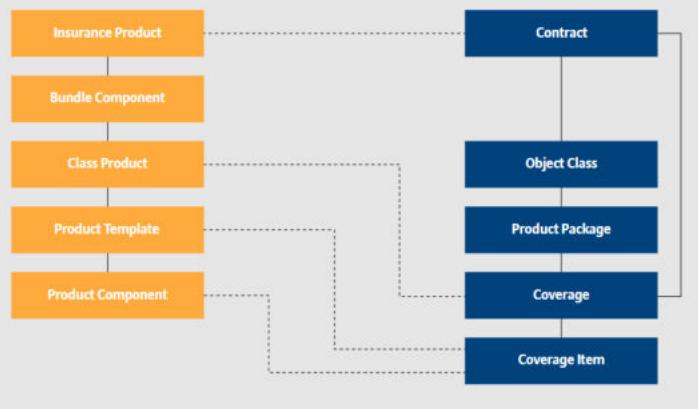
ABS Core customers have implemented the group business functionality in different ways, i.e. by using different master contract levels.

Use Case 1

A specific insurance product, which has been previously modelled in PEX, can be selected. Different coverages are assigned to product packages. Individual contracts can be created on the basis of these product packages. Levels tariff model and object class can, but do not need to be defined.

Reasons for using the level product packages:

- It's easy to create individual contracts.
- Master contract interface functionalities are supported
 - individual contracts can be uploaded via csv file and automatically created or amended through batch.
- Product rules and validations can be used.
- Lower customer-specific implementation costs by reuse of available ABS Core functionalities.



Use Case 2

In this case, no functional relevant insurance product is selected and thus no classes have been assigned. It further means that no product packages are used. The contractual agreement between the insurer and the business partner must therefore be defined on the levels tariff model and/or object class with the corresponding configuration attributes.

Individual contracts must be created on a customer-specific basis as this functionality is not supported by ABS Core.

The ABS Core implementation is based on use case 1 which is the focus of this module.



Demo: Creating a Master Contract with Package



Check out this video to know more.

The video is not available in the print version.



Knowledge Check

What are the advantages of using the product package level?

Creation of individual contracts is supported by the ABS Core when product packages are in use - both manual and automatic process via master contract interface. Standard insurance products, as well as product rules and validations can be used which leads to lower customer-specific implementation costs.

How can the same coverage be insured several times in the same group business contract?

The usage of product packages offers the possibility to define the same coverage (class_own) several times in the same contract with different configuration. This is not the case for the standard contract.

Which levels are mandatory in the group business file?

None. It is allowed to have a group business contract without any of these levels.

A company has round about 1000 employees with individual conditions and no common insurance cover. Can group business functionality be applied in this use case? Explain.

The main advantage of the group business is to group higher number of individual contracts under same conditions, so it doesn't make sense to create different product packages for each employee. It is then even more effort compared to creating standard individual contracts.



Definitions

Product

Tariff Model

Natural Person

Coverage

PEX

Contract

Individual Contract Overview

Individual Contract to Package



The contract type individual contract to package is used exclusively for individual contracts of group business, based on a master contract with package.

The option to create an individual contract is the most important feature for master contract with package. It serves as a basis for the individual contracts. Such individual contracts are linked to the master contract with package via the master contract with package Contract Relation.

Additionally, information to which tariff model, object class and product package the individual contract has been created is stored. Although some of the levels above the product package might not be defined, it will be technically connected to them. ABS provides the option to create an individual contract manually or automatically via the master contract Interface.

All individual contracts created for a master contract with package can be displayed within the top-tab agreement or hierarchy, side-tab Individual Contract in the group business file. It is also possible to branch out directly to each of these individual contracts from there.



Manual Creation of Individual Contracts



It is possible to create an individual contract manually, based on the product package.



- The function "New Individual Contract" is enabled in the contract and application phases of the master contract with package. The quote phase is not available in the master contract with package at all. Additionally, this function is available in the edit mode as well as in the read-only mode.
- After selecting the function "New Individual Contract", the corresponding contract file (standard or expert) according to the product definition is opened. All relevant attributes of the master contract with package are pre-set on the quote of the new individual contract after branching out to the contract file. The insured person/object associated with the individual contract must be created manually.

The individual contract uses the standard contract lifecycle (quote, application, contract) and is handled like any other contract, except that the contract type cannot be changed. By saving, a check is performed whether the individual contract matches the master contract with package configuration. Depending on the configuration in the master contract with package it is controlled if and how the individual contract can be amended.

In ABS Core the functionality to create individual contracts to a master contract with package is depending on the existence of a product package. The functionality itself can be used on all levels but requires customer specific logic to work properly.



Automatic Creation of Individual Contracts



If the level product packages is used in the master contract with package, a master contract interface can be used for simultaneous creation of a large number of individual contracts via batch process.

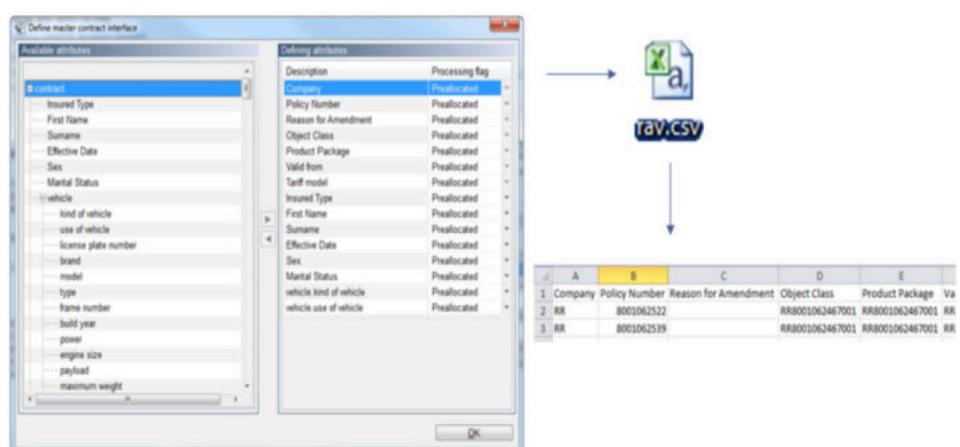


The individual contracts (in phase application) will be created in ABS Core automatically. Not only new business but also some amendments on the individual contract to package can be done via the master contract interface (e.g. product package change via G80).

The interface processing requires the existence of a product package.

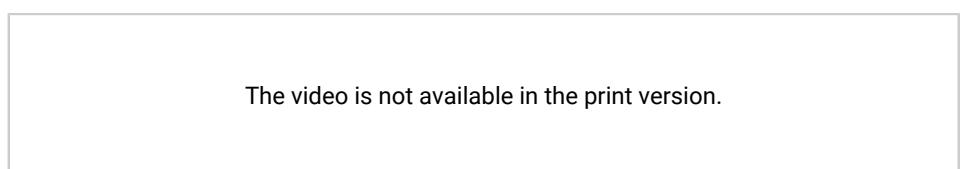
In this case, a specific interface definition for the master contract with package must be created where the available attributes must be preconfigured in the defining data.

The interface file must first be exported so the user can fill all relevant data. Each new row in the file represents data of an individual contract to be created. The completed file can then be imported back to ABS. After a successful import, a scheduled batch task is created which serves as a trigger at the end of the policy processing of the master contract with package.



Creating an Individual Contract

Check this video to know more about creating an individual contract.



The video is not available in the print version.



Product Package Change



For individual contracts to package, ABS Core offers a possibility to perform a product package change.



This functionality dissolves the existing allocation of the individual contract to package to a respective product package and creates a new allocation to another, from the user selected, product package. The entry point for this change is the top-tab hierarchy within the contract file of the individual contract to package (Button "Allocate ind. Contract"). The product package change can be processed via batch as well, using the master contract interface.

During this amendment references to the new product package, object class and tariff model will be updated. The product list will be updated as well, to reflect all coverages and their states, as they are defined in the target product package.



Knowledge Check

How can an individual contract to package be created?

ABS Core provides the option to create an individual contract manually or automatically via the master contract interface (upload via csv file).

What is the prerequisite for using the master contract interface?

The master contract interface processing requires the existence of a product package in the master contract with package.

How can ABS handle a high number of individual contracts within the master contract interface?

A master contract interface can be used for simultaneous creation of a large number of individual contracts via batch process.



Definitions

[Master Contract with Package](#)

[Contract Relation](#)

[Tariff Model](#)

[Object Class](#)

[Product Package](#)

[Master Contract Interface](#)

[Contract](#)

[Insured Person](#)

[Quote](#)

[Application](#)

[Defining Data](#)

[Batch](#)

Use Cases of Hierarchy Levels

Hierarchy Level



Some agreements with business partners include subsidiaries and departments with partly different and partly identical contractual conditions to the parent company.

If, for example, the policy holder and the collection type are different, it is possible to create separate master contracts with package for each subsidiary/department. As they both belong to the parent company, they will be related accordingly.

Tariff model, object class and product package can be inherited from the parent company (main contract) to the corresponding subsidiaries/departments (company units). All created master contracts with package will be thus part of one agreement.



Let us see an example.



A legal person (company A) wants to insure its entire fleet at Allianz. The company has three sites in Austria, i.e. Vienna, Graz and Salzburg, and three vehicle categories, i.e. cabriolets, limousines, trucks. Vehicle category cabriolet is for the main contract only, vehicle category limousine is for all subsidiaries and mandatory and vehicle category truck is for all subsidiaries with slight differences per subsidiary. The choice between standard insurance and premium insurance should be provided.

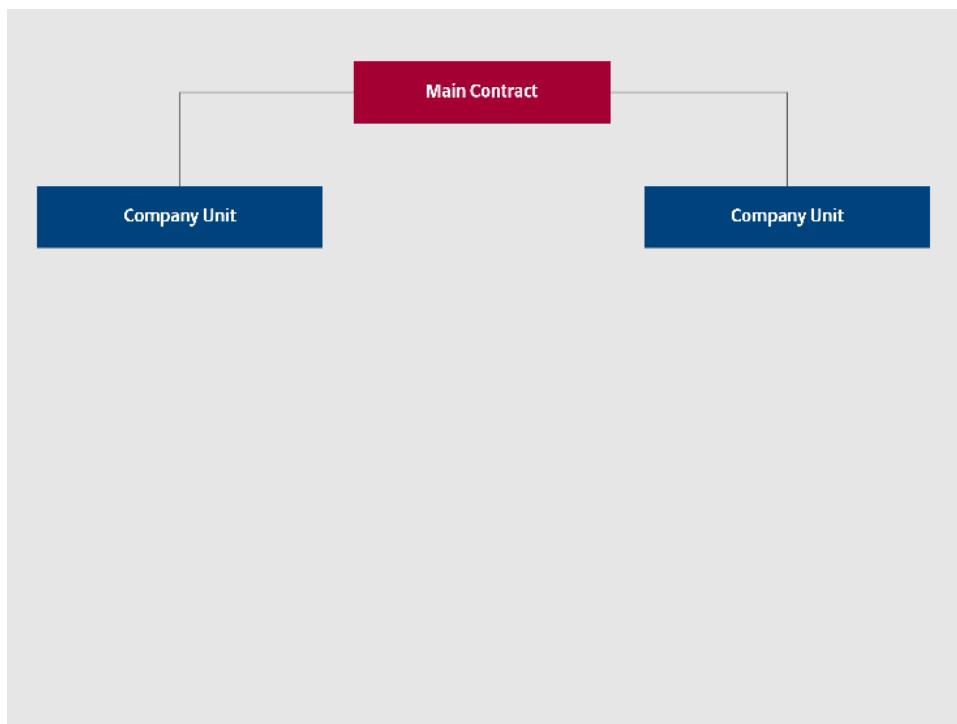
Solution in ABS:

- Main contract (contract type: master contract with package/hierarchy level: main contract): Austria
- Three company units (contract type: master contract with package/hierarchy level: company unit) in Austria: Vienna, Graz, Salzburg
- Three object classes (configuration in the main contract): cabriolet (not inheriting), limousine (inheriting), truck (presetting)
- Two product packages for each object class (configuration in the main contract): standard insurance (liability) and premium insurance (liability, fully comprehensive, passenger accident insurance)

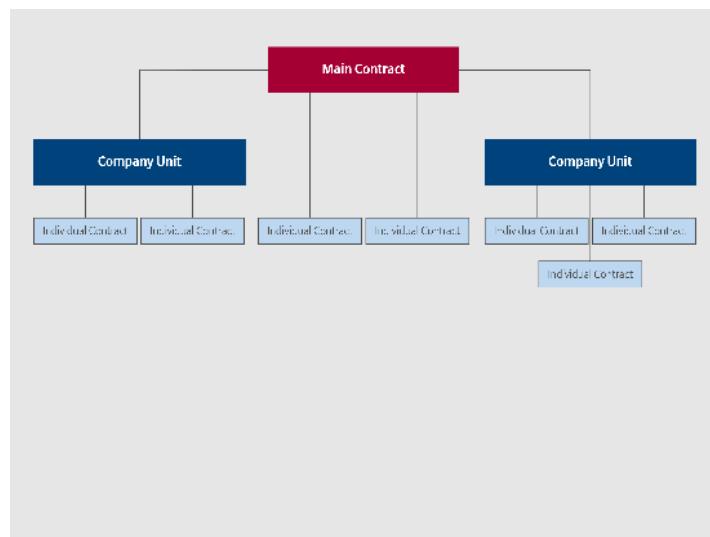


Example: Allianz SE, as a headquarter, can be represented in ABS as a main contract. Allianz subsidiaries per each country can be created as company units.

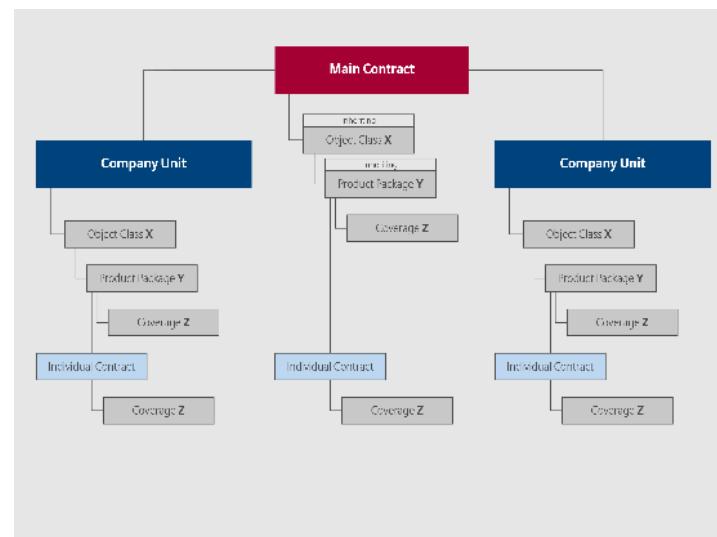
Contract Hierarchy



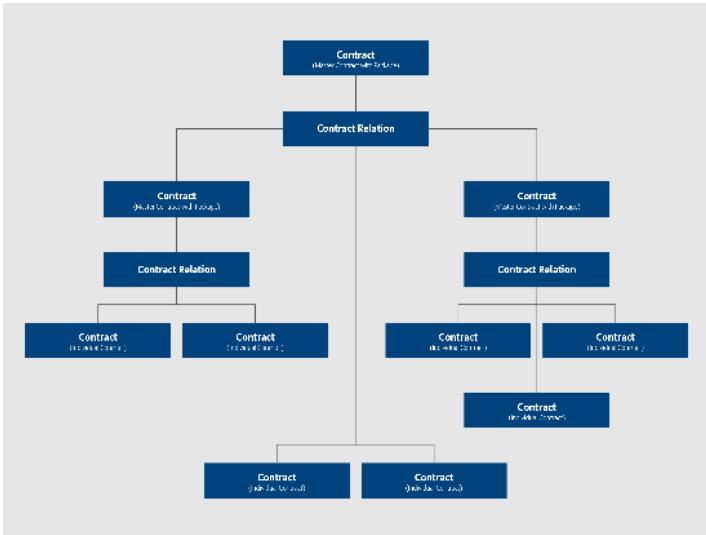
Hierarchy Levels I



Hierarchy Levels II



Hierarchy Levels III



Data Model

Three hierarchy levels are available for group business to manage the contract hierarchy and a relation is created for the contracts below:

- **Lead Contract:** This contract type is used as the highest level of a contract hierarchy for aggregating information and evaluations. The lead contract is not a legal contract and only has a limited functionality. This hierarchy level is optional. A lead contract cannot be a basis for the creation of the individual contract to package. Several master contracts with package can be allocated to one lead contract.
- **Main Contract:** Is a legal contract/agreement with the business partner and is also the basis for individual contracts to package. A main contract has the contract type master contract with package.
- **Company Unit:** Can be used to show deviations in the main contract or necessary structuring elements for subsidiaries, departments, branches etc. A company unit can only be allocated to one main contract. Company units cannot be allocated to another company unit. Several company units can be allocated to one main contract. A company unit has the contract type master contract with package as well.



Setting Up a Contract Hierarchy in the ABS RCP Client



In the top-tab hierarchy, it is possible to set up a contract hierarchy.

Starting from the master contract with package (hierarchy level main contract), a subordinate master contract with package can be created (hierarchy level: company unit). Both can be the basis for creating individual contracts. The data can be inherited from the main contract to the subordinate company units. The contract hierarchy is displayed in a tree, in the group business file, as well as in the contract file (here for contract type individual contract to package only).

Hierarchy level of the starting master contract is called main contract, and the subordinate master contract gets the hierarchy level company unit.



Setting up a Contract Hierarchy

The video is not available in the print version.



Inheritance



There are a couple of variants of inheritance in group business:

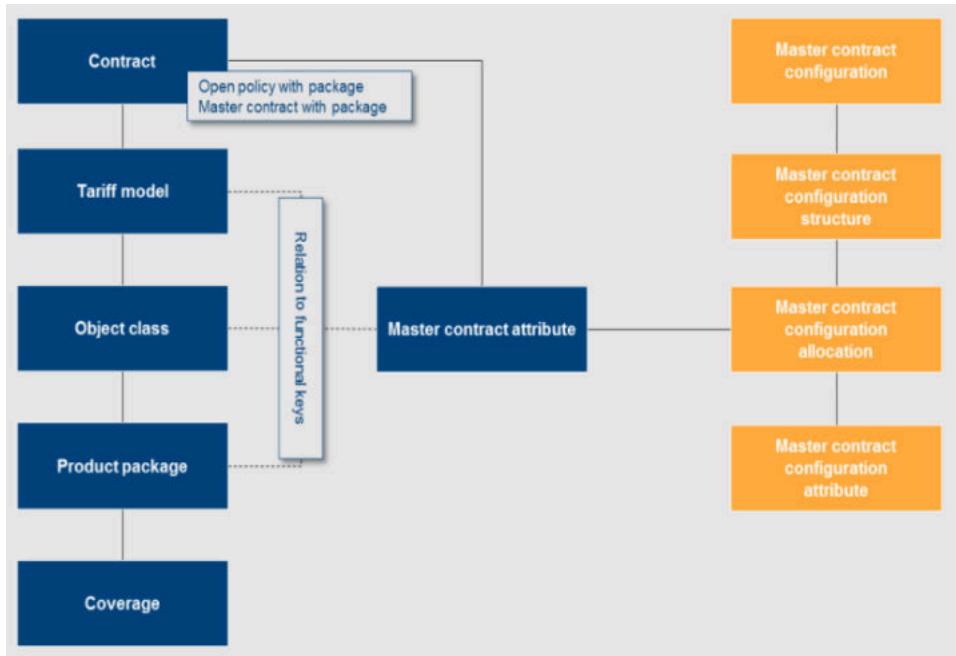
- Inheritance within a group business contract (between group business levels) - applied in realtime
- Inheritance within a group business hierarchy (main contract / company unit) - applied in realtime
- Inheritance on individual contracts - done asynchronously through a batch job. This is very useful feature of the group business - in case of a contract amendment, it is only necessary to change it in the master contract and the batch job will update all underlying individual contracts (if the configuration attribute is set to inheriting).

Master Contract Configuration Attributes

To be able to specify the configuration in the master contract with package operatively, the entities for the master contract configuration attributes are to be defined in the product explorer (PEX) first. The following four entities are used for the master contract configuration in the defining data:

- **Master contract configuration:** in this entity, it is recorded based on the company code and the main class own which levels (comprehensive contract data, tariff model, object class, product package, master contract interface definition data) are provided to control the master contract with package.
- **Master contract configuration structure:** per each level (e.g. comprehensive contract data, tariff model, object class, product package, master contract interface definition data), different structures can be defined and then operatively displayed as a tree.
- **Master contract configuration allocation:** this entity assigns data elements (configuration attributes) to the corresponding structure.
- **Master contract configuration attribute:** This entity defines the data elements and their properties which are available for the master contract with package (e.g. payment frequency, net premium for specific coverage, collection type etc.)

The configuration is displayed in the agreement tab in the group business file, different for each level, where the configuration attributes can be selected and specified. If the attribute is selected, the entry in the operative entity (contract attribute) will be created. The whole configuration serves to define the complex and flexible agreement and to control the input on the individual contracts in general.



The general configuration options in the defining data (product explorer) are:

- Level (contract, tariff model, object class, product package)
- Value instance (value, value list, value range)
- Assignment type (mandatory, optional, preselected, assignable)

Inheritance to the Individual Contract

The attribute acceptance flag - individual contract (transfer individual contract) can be operatively determined with domain values such as "inheriting", "presetting", "none" and "restricting" (for values range or value list). This attribute controls the input on the individual contract to package.

Values for the attribute acceptance flag - individual contract apply as follows:

- **None:** The attribute is not applied to the individual contract
- **Inheriting:** The attribute is inherited to the individual contract and cannot be changed. An amendment can only be performed on the level in the master contract with package on which the attribute was defined as inherited. This amendment will be synchronized (inherited) through the batch to all dependent individual contracts. A synchronization between master contract levels is not performed but nevertheless, there is a dependency between these levels. An already inherited attribute (e.g. at tariff model level) cannot be defined again on a subordinate level (e.g. object class).
- **Presetting:** The attribute is initially used in the individual contract as default (i.e. only for G01 new business) and can be changed there. There are no dependencies and synchronizations between the levels.
- **Restrictive:** Value range and value list can be defined as restricted. For example, the list of possible values for the attribute payment frequency is defined in the master contract with package (monthly, yearly) and only one of those values can be defined in the individual contract.

Inheritance within the Hierarchy

With the attribute acceptance flag a logic is implemented to control the inheritance between the main contract and the company units as well as the inheritance between the master contract levels. Not only configuration attributes, but the whole levels can be inherited. In this case the whole level will be synchronized between the main contract and the company units and not just individual attributes.

Values for the attribute acceptance flag apply as follows:

- **None:** value of the attribute will not be inherited to a lower company unit.
- **Inheriting:** the attribute is used for the lower company unit and cannot be changed there. An amendment can only be made at the main contract and this is synchronized to all lower company units.
- **Presetting:** the attribute is initially used in the lower company units as default (i.e. only for G01 new business) and can be changed there.



Definitions

Tariff Model

Object Class

Product Package

Main Contract

Lead

Company Unit

Assignment

PEX

Main Class

Defining Data

Example: Master Contract Configuration

Hierarchy Level



i Let us see an example for master contract configuration.

The screenshot shows a software interface for managing master contracts. The title bar indicates it's a Group Business File [RR8000074599] on DINTV195. The main window displays the 'Agreement' screen for an Allianz master contract. Key details shown include:

- Valid from: 01/29/2016
- Main ren.date: 02/01
- MM/DD
- Rate class: Group
- Inception: 01/29/2016
- Paym.frequ.: Monthly
- Expir.: 02/01/2026
- Fleet no. (dropdown)
- Language: English
- Contract type: Master Contract with Package
- Bundle type (dropdown)

The 'Configuration' section shows the allocation of a payment frequency attribute:

Data structure	Parameter	Values of attribute	Transfer individual contract	Transfer hierarchy
General data				
Payment frequency	value list	Monthly;Quarterly	restrictive	none
Acc. manager				
Data areas				
Data area collection				

Buttons at the bottom right include 'Add attribute' and 'Define list / range'.

In the master contract with package, on the contract level, the configuration attribute payment frequency has been defined. The list below shows values from both defining and operative entities needed for the configuration.

Defining Data:

- Master contract configuration: comprehensive contract data (attribute on the contract level)
- Master contract configuration structure: general data
- Master contract configuration allocation: the allocation of the attribute payment frequency to the structure general data
- Master contract configuration attribute: payment frequency

Operational Data:

Master contract attribute - following data is saved in the operative entity after the configuration attribute has been selected: attribute name = payment frequency / value instance = value list / values = monthly; quarterly / "acceptance flag - individual contract" = restrictive / "acceptance flag" = none

Interpretation: In the individual contract to package the payment frequency can be set either to monthly or quarterly. There is no inheritance to the related company units so the attribute can be set there independently from the main contract.



Knowledge Check

What is the maximal number of hierarchy levels that can be defined in the group business agreement?

Maximum of three hierarchy levels are available for the group business agreement - lead contract, main contract, company unit.

What are master contract configuration attributes used for?

Master contract configuration attributes allow a flexible definition of an agreement between the insurer and the business partner. Additionally, they control the inheritance within the contract levels, within the contract hierarchy or to the individual contracts.

Can the company unit have different agreements configured than the ones defined on the superior contract level?

Yes. Master contract configuration attributes or whole contract levels that are defined as inheriting in the main contract will also be part of the company unit and cannot be changed there but also additional attributes or levels can be defined separately for the company unit as well.

Introduction

Introduction



The ABS Core Adapter is needed to support communication between the frontend and the backend via the service layer definition called CISL.

The ABS adapter translates the ABS business logic in CISL requests and resources. It implements the CISL resources and maps them to the ABS-specific implementation. The adapter reuses the business logic.



The image shows all available ABS domains and depicts their connection to each other.

The ABS Core adapter is located at the top of the layered ABS Model and covers the basic functionalities contract, claims and party management.

What is CISL?

What is CISL?



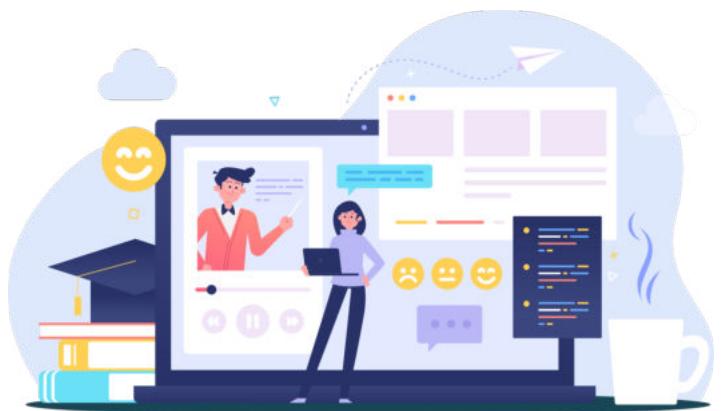
In order to have a profound understanding of this module, it is highly recommended to first have a good idea of what is CISL.

Precondition before studying the ABS Core Adapter

CISL provides comprehensive learning material on their website. You can register at the CISL homepage via self-service with your e-mail address.

Recap:

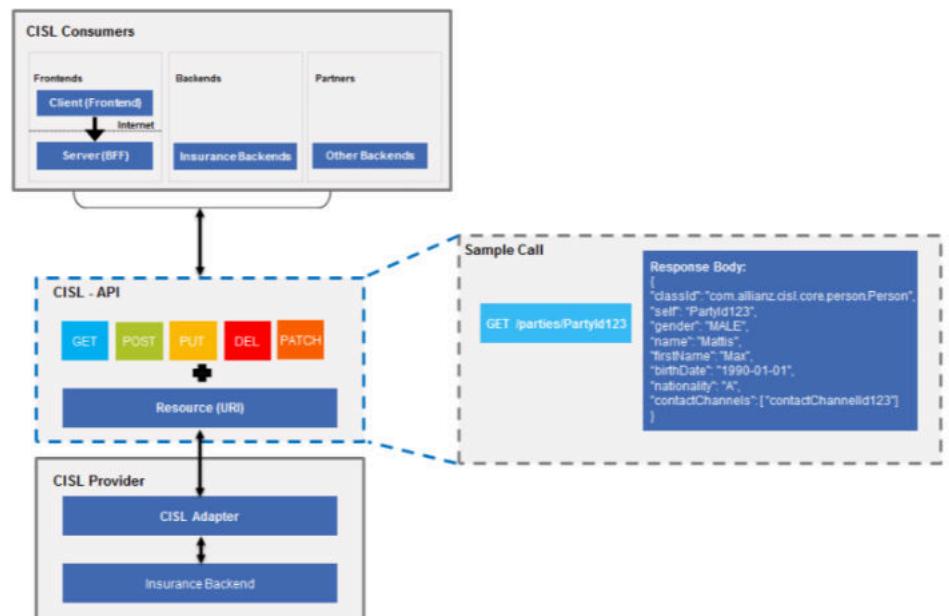
CISL stands for Core Insurance Service Layer and is an Ecosystem consisting of a set of REST services, a comprehensive data model and tools to develop, analyze and configure CISL-based applications. It standardizes Allianz's communication with other insurance systems or applications, based on the http protocol.



[Click this link to visit CISL](#)

With CISL, Allianz has provided a platform-independent service layer to access insurance core systems such as ABS on the backend side with its adapters and provides tools and technologies to develop state of the art applications on the frontend side. Separating the frontend from the backend has various advantages and is also known as 2-speed architecture.

A basic CISL setup (and a sample of a simple CISL request) is composed of (see figure):



CISL Consumers

Consists of an application or other system consuming functionalities via CISL API. In case of an application, it is separated in a server-side and a client-side (with a user facing frontend) allowing the adapter to communicate with the consumer hiding all complexity from the user.

1. The frontend (aka presentation layer) contains those parts of the application the user can see, e.g. graphical user interface for example (websites, mobile/hybrid apps). The client side is part of CISL Consumer that is deployed on the client side (mobile device, browser) and provides a customer-facing frontend. The server side (dispatcher, backend for frontend (BFF)) encapsulates the CISL API in device and use case specific resources.
2. Backends are other insurance systems communicating via CISL API with other backends (synchronous or asynchronously)
3. Partners are external systems that communicate via CISL API with Allianz insurance systems

CISL API

The CISL API is a REST based service catalog defining various enterprise functionalities and communication protocols.

CISL Adapter (=ABS Core Adapter)

The CISL Adapter (or also known as ABS Core Adapter) implements CISL resources and maps them to the system specific implementation.

Insurance Backend (Business Logic)

The insurance backend implements the insurance business logic and stores insurance data .

What is the purpose of CISL?

1. Standardization and reuse of digital assets between the various operational entities (OEs) of Allianz: By introducing a standardized API, a common service layer, or common language, it is possible that the same application can be reused on various backend systems with only creating an adapter for this specific backend that implements the "language" defined by CISL. GET /parties for example will always return the party according to the CISL datamodel although the underlying backend has a different definition of a party.
2. Move from a traditional platform architecture where applications are tightly coupled to the back ends (e.g. ABS Rich Client Application), to a more flexible architecture that is called 2-Speed Architecture. It allows applications and insurance systems to evolve independently from each other since they are decoupled and therefore have different speeds. With this approach Allianz is able to leverage on their existing and mature core insurance platforms like ABS and ePAC, which have been developed over years but is also able at the same time to adapt quickly to the fast changing and volatile requirements from the insurance market and ever changing customer needs.



Definitions

[Application](#)

[CISL](#)

[REST](#)

What is the ABS Core Adapter?

Overview



i

The ABS Core Adapter exposes ABS functionalities as services enabling them to be used by different consumers without the need of a comprehensive ABS development know how. The underlying idea is to facilitate/speed up front end development by offering a set of "ready to use" services to frontend developers.



How does it work?

The ABS Core Adapter supports the communication between a consumer and the ABS backend via a REST layer, the CISL.

- This CISL API defines the possible interactions between consumer and the backend in a functional way so that the consumer does not need to know the specific logic of the back end.
- The ABS Core Adapter represents the actual implementation of CISL. It is tightly coupled to the ABS business logic and has direct access to the functionalities of the Core Insurance backend (e. g. business rule for determining an insured natural person from the ABS Data Model). As such, the ABS Core Adapter is not exposed directly to the internet and runs within the DMZ of the Core Insurance Platform.



Architecture Overview

In this architecture example, there is no direct communication between the frontend and the ABS Core Adapter.

An additional component, called "BFF" (Backends For Frontends) implements project-specific logic (e.g. GET / or POST /parties? firstName=Maria&name=Bauer) and handles the communication and the call orchestration between the frontend (e.g. broker portal via web browser) and the Adapter on ABS side.

It also describes the data flow from the user interface via BFF, through CISL API and Adapter to the ABS backend database tables. The ABS Core Adapter, with its implementation of the CISL service /parties, is in this case responsible for handling the more complex ABS Business logic in the insurance backend in order to return the defined response in the CISL API.

Front End

BFF

API

Adapter

End

Broker Portal

Search mask



Search result



/ parties ? firstName=Maria&name=Bauer

GET

POST

RESPONSE
(JSON)

/ parties ? firstName=Maria&name=Bauer

ABS Core Adapter

ABS Database

TPERSON

TKOMM

Insurance

The BFF is use case specific and tightly coupled to a specific web application, whereas the ABS Core Adapter remains use case neutral so that only one instance can be called by multiple frontends.



The BFF and the Frontend are always part of the client specific implementation and therefore not part of the CISL package and the ABS Core Adapter.



Knowledge Check

What does the ABS Core Adapter do?

The ABS Core Adapter exposes ABS functionalities as services (which are defined by CISL) enabling them to be used by different consumers without the need of a comprehensive ABS development know how. ABS Core Adapter is responsible for handling the more complex ABS Business logic in the Insurance Backend in order to return the defined response in the CISL API.



Definitions

CISL

REST

DMZ

Representational State Transfer (REST)

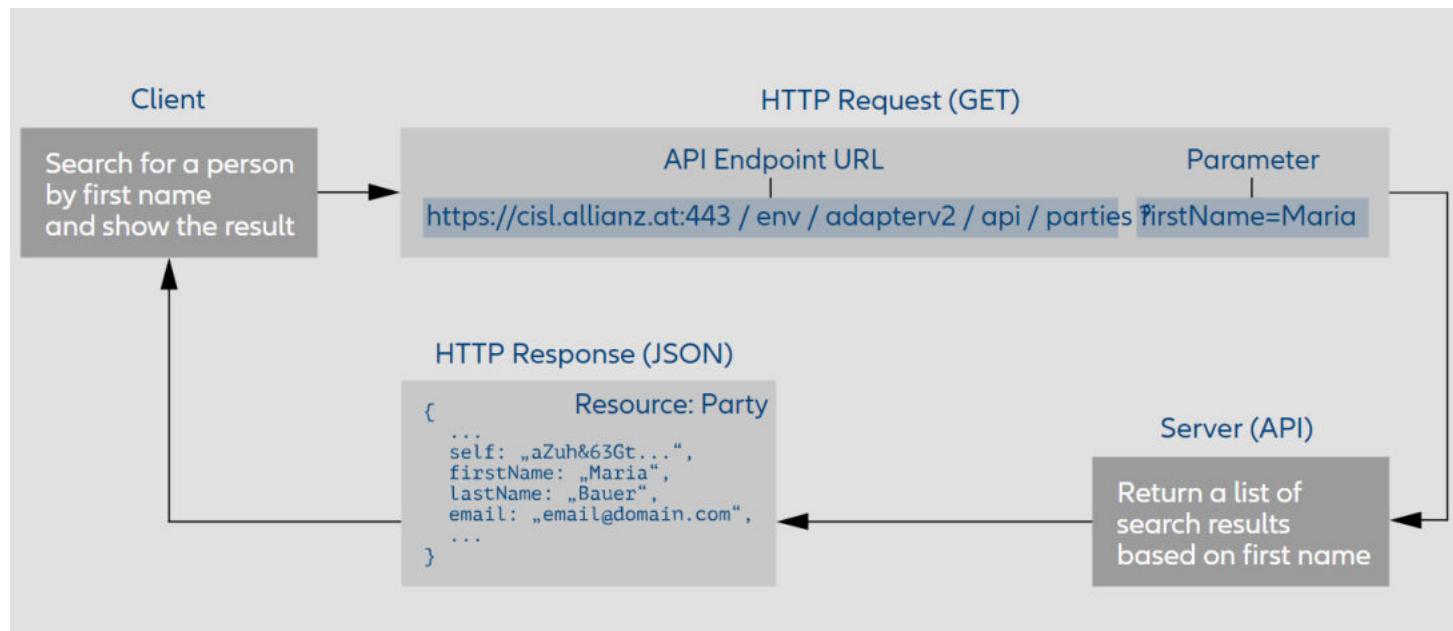
REST Basics



REST is an acronym for Representational State Transfer and is a set of architecture guidelines for two computer systems to communicate via HTTP protocols.

When REST performs calls from the front end to the back end, every call has a request (triggered by a client) and response (generated by a server), in other words input and output.

- Web services that comply with these guidelines are named RESTful web services. They offer an API (Application programming interface) to connect the Web service with the consuming application and represent data as resources.
- A resource is an object with a type (e.g. a party), associated data (e.g. firstName, lastName, email), relationships to other resources (e.g. to a Contract), and a unique ID (self). Resources can be identified by using URI (Unified Resource Identifier) via the API (e.g. parties/{partyId}), which would return the current representation of a dedicated Party).
- The representation of a resource is done via JSON format which is readable by humans and machines.



REST Properties in a Nutshell

- REST is resource-oriented: individual resources can be easily identified by using URIs, e.g. /parties/{partyId}/ addresses/ in the CISL API
- Payload also known as body forms part of the response of the API request that can also include additional request parameters and data. In this example query a

- REST communication is stateless, meaning it is independent from previous or following interaction - no session information required on the server side.
- REST relies on standard HTTP methods: GET, POST, PUT, DELETE, PATCH, OPTIONS...

search was performed for the related info of the person Maria Bauer by sending the query call: GET /parties?firstName=Maria&name=Bauer. firstName as well as name are query parameters, while the output of all related info regarding Maria Bauer is the payload / body.

GET {{host}}/({{path}}/parties?firstName=Maria&name=Bauer

Params Authorization Headers (10) Body Pre-request Script Tests Settings Cookies

Query Params		KEY	VALUE	DESCRIPTION	...	Bulk Ed
<input checked="" type="checkbox"/>	firstName	Maria				
<input checked="" type="checkbox"/>	name	Bauer				
	Key	Value	Description			

Body Cookies Headers (11) Test Results Status: 200 OK Time: 877 ms Size: 1.48 KB Save Response

```

1 [
2 {
3     "classId": "com.cislapi.coreinsurance.core.person.Person",
4     "self": "V2B41496A7B30FAC506329917FCE785B58A7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500",
5     "partyType": "N",
6     "contractHolderType": "N",
7     "accountManagerNumber": "5139515",
8     "partySign": "N",

```

66

A client would send a request to a server in order to get, update, create or delete a resource and then obtain a response from the server containing e.g the modified resource.

Method	When	Payload?	Query Example
GET	Use GET requests to retrieve Resource Representation/information only – and not to modify it in any way. As GET requests do not change the state of the resource, these are said to be safe and Idempotent Methods.	No	GET/parties/{partyId}
POST	Use POST APIs to create new subordinate resources, i.e. a new resource into the collection of resources.	Yes	POST/parties
PUT	Use PUT APIs primarily to update existing resource (if the resource does not exist, then API may decide to create a new resource or not).	Yes	PUT/parties/{partyId}

DELETE	Use DELETE APIs to delete resources.	No	DELETE/parties/{partyId}
PATCH	Use PATCH requests to make partial update on an existent resource while PUT should only be used for replacing a resource in its entirety.	Yes	PATCH/parties/{partyId}
OPTIONS	Use OPTIONS APIs to describe the communication options for the target resource. The client can specify a URL for the OPTIONS method or an asterisk (*) to refer to the entire server.	No	OPTIONS/parties



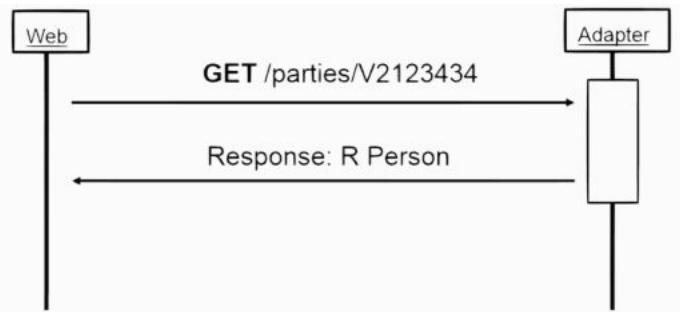
Examples in the Context of ABS (Optional content)

In this section, the Postman tool has been used to demonstrate request examples.



Client retrieves a specific person by using a unique ID:
An existing person from the ABS database is fetched using the service GET/parties/{partyId}.

- The person is fetched using the self (UUID) of the object:
- The different attributes visible in the response are defined within the CISL API. They are common to all consumers built on top of CISL.
- Their actual values are provided by the ABS Adapter and represent the operational data from the ABS backend database (e.g. firstName in CISL language comes from TNATPERS.VORNAME).



GET {{host}}/({path})/parties/V2DF663DE814E3265A46077C160782342EA7AB61258B7ED8E2022DC77FE194F870AE4218 ... Send Save

Params Authorization Headers (8) Body Pre-request Script Tests Settings Cookies

Query Params

KEY	VALUE	DESCRIPTION	...	B
Key	Value	Description		

Body Cookies Headers (11) Test Results Status: 200 OK Time: 1444 ms Size: 1.7 KB Save Response

Pretty Raw Preview Visualize JSON

```

1  {
2    "classId": "com.cislapi.coreinsurance.core.person.Person",
3    "objectVersion": "2019-07-05 17:29:54.051000",
4    "self": "V2DF663DE814E3265A46077C160782342EA7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500",
5    "preferredPaymentMethods": [
6      "V2DF663DE814E3265A46077C160782342EA7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500"
7    ],
8    "preferPaperlessCommunication": false,
9    "businessSegment": "P",
10   "contractHolderType": "N",
11   "accountManagerNumber": "5139515",
12   "lead": false,
13   "partySign": "N",
14   "foreignCurrencyResident": false,
15   "capitalGainsTaxation": false,
16   "vatDeductionPercentage": "0",
17   "language": "DAU",
18   "socialSecurityNumber": "1234181711",
19   "firstName": "Maria",
20   "name": "Bauer",
21   "middleName": "Hans"
22 }
```

 Creation of a new person.
A new party (Hans Huber) is created making use of the service POST / parties.



POST {{host}}/{{path}}/parties

Send Save

Params Authorization Headers (10) **Body** Pre-request Script Tests Settings Cookies C Beauf

none form-data x-www-form-urlencoded raw binary GraphQL JSON ▾

```
1
2 {
3     "classId": "com.cislapi.coreinsurance.core.person.Person",
4     "name": "Huber",
5     "firstName": "Hans",
6     "socialSecurityNumber": "1234181711",
7     "birthDate": "1957-12-12",
8     "genderIdentity": "M"
9 }
```

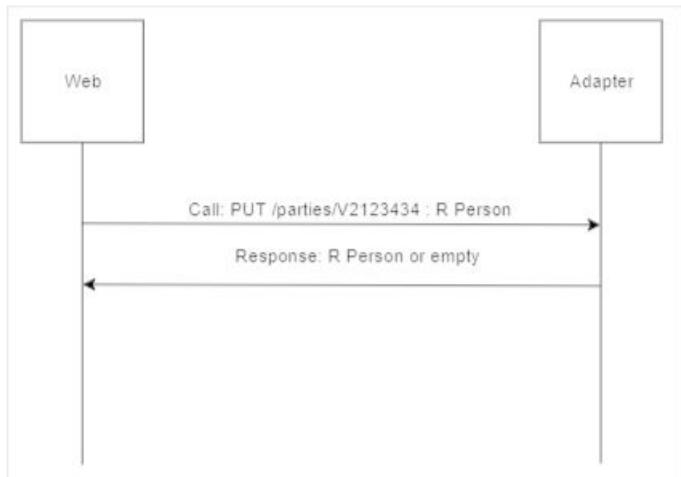
Body Cookies Headers (9) Test Results Status: 200-OK Time: 1877 ms Size: 1.84 KB Save Response

Pretty Raw Preview Visualize JSON ▾

```
1 {
2     "classId": "com.cislapi.coreinsurance.core.person.Person",
3     "objectVersion": "2019-07-05 17:08:20.291000",
4     "self": "V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500",
5     "preferredPaymentMethods": [
6         "V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500"
7     ],
8     "preferPaperlessCommunication": false,
9     "businessSegment": "P",
10    "contractHolderType": "N",
11    "accountManagerNumber": "5139515",
12    "lead": false,
13    "partySign": "N",
14    "foreignCurrencyResident": false,
15    "capitalGainsTaxation": false,
16    "vatDeductionPercentage": "0",
17    "language": "DAU",
18    "socialSecurityNumber": "1234181711",
19    "firstName": "Hans",
20    "name": "Huber",
21    "birthDate": "1957-12-12",
22    "genderIdentity": "M"
23 }
```



Update of an existing person Hans Huber.
The last name of the existing party Hans Huber is changed to Hans Bauer by using the service PUT /parties/{partyId}.



PUT [\(\(host\)\)/\(\(path\)\)/parties/V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218...](((host))/((path))/parties/V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218...) Send Save

Params Authorization Headers (10) Body Pre-request Script Tests Settings Cookies C

Body [Pretty](#) [Raw](#) [Preview](#) [Visualize](#) [JSON](#) Beautify

```

1
2 - {
3     "classId": "com.cislapi.coreinsurance.core.person.Person",
4     "objectVersion": "2019-07-05 17:08:20.291000",
5     "self": "V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500",
6     "firstName": "Hans",
7     "name": "Bauer",
8     "birthDate": "1957-12-12",
9     "formOfAddress": "S",
10    "deceased": false,
11    "genderIdentity": "M"

```

Status: 200 OK Time: 1183 ms Size: 1.59 KB Save Response

```

1 [
2     "classId": "com.cislapi.coreinsurance.core.person.Person",
3     "objectVersion": "2019-07-05 17:08:20.291000",
4     "self": "V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500",
5     "preferredPaymentMethods": [
6         "V20BEC3CF34F24B6D0BF92FE2AEE6FD049A7AB61258B7ED8E2022DC77FE194F870AE4218E7D720CCA4448225F61AE39500"
7     ],
8     "preferPaperlessCommunication": false,
9     "businessSegment": "P",
10    "contractHolderType": "N",
11    "accountManagerNumber": "5139515",
12    "lead": false,
13    "partySign": "N",
14    "foreignCurrencyResident": false,
15    "capitalGainsTaxation": false,
16    "vatDeductionPercentage": "0",
17    "language": "DAU",
18    "firstName": "Hans",
19    "name": "Bauer",
20    "birthDate": "1957-12-12"

```



Knowledge Check

Explain briefly the properties of RESTful API.

* stateless: REST service doesn't use login sessions or store other state information on the server. Instead, the Frontend application maintains this information about each resource, which makes the REST service easier to use across load-balanced servers

* resource-oriented: individual resources can be easily identified by using URIs

* communication over HTTP methods:

GET - reads data and doesn't change application state

POST - creates resources and queries for data using conditions

PUT - updates resources

DELETE - removes resources from the database



Definitions

HTTP

REST

Application

Contract

Resource

JSON

CISL

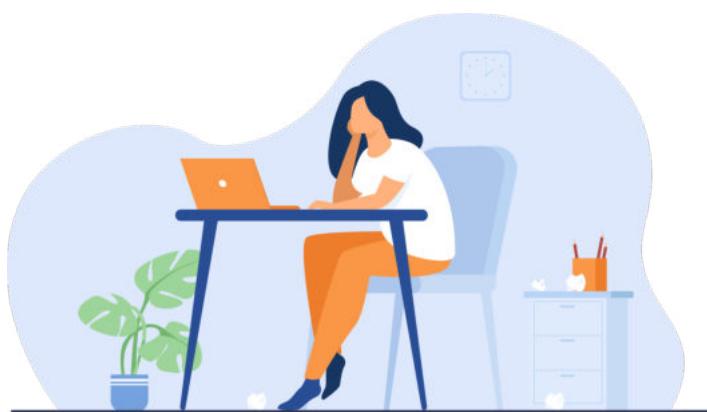
Payload

Authentication and Authorization

Functionalities of the ABS Core Adapter



Just like in the ABS Rich Client, the ABS Adapter requires a valid user (authentication). This user is of course needed for security reasons but is also used to determine the specific rights and data window of the user (authorization) in ABS.



A user can log in to the system if he/she already exists in ABS and can therefore be authenticated using a defined user ID and password. To this end, credentials are sent from the consumer to an Identity and Access Management (IAM) system. The IAM system checks if the sent credentials are correct and in case yes it issues a verification in form of an access Token. The access Token verifies the users identity and has to be provided by the consumer/user in every following http request. Every time a request comes from the browser or BFF, the ABS Adapter determines whether this user is authorized to perform the request or not, based on the provided token and the configured access rights in ABS.

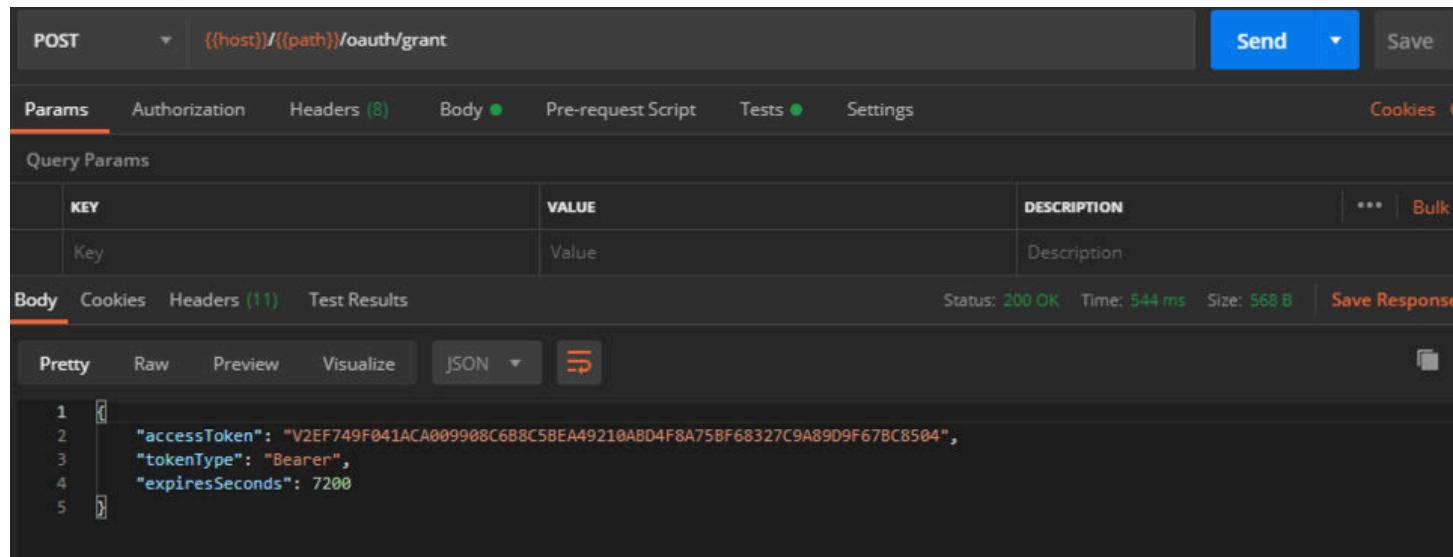
The ABS Core Adapter implementation relies on the oAuth protocol. Click the below link to follow.

[oAuth Protocol](#)

Let's see an example.



In the below screenshot, the tool Postman was used to show the successful authentication that results in the access token being visible in the response.

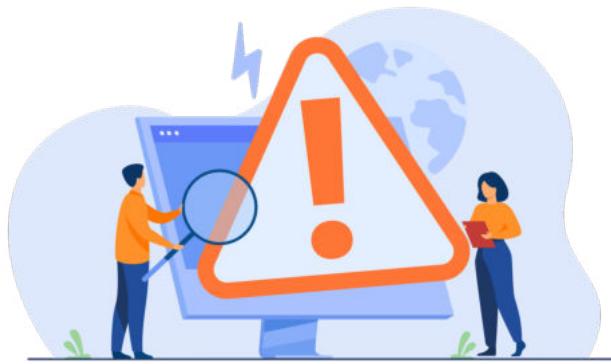


The screenshot shows a POST request to `http://{{host}}/{{path}}/oauth/grant`. The 'Params' tab is selected, showing a single parameter 'Key' with value 'Value'. The 'Body' tab is selected, showing a JSON response:

```
1  {
2      "accessToken": "V2EF749F041ACA009908C6B8C5BEA49210ABD4F8A75BF68327C9A8909F67BC8504",
3      "TokenType": "Bearer",
4      "expiresSeconds": 7200
5  }
```



ErrorHandling – Response Codes



HTTP status codes represent the results of operations that one performs against the REST service. They are divided into these major categories:

- 200 - Success
- 300 - Redirection
- 400 - User error (e.g. 404 - "Not Found")
- 500 - Server error (e.g. 500 - "Internal Server Error")

The following processing of error messages takes place in the ABS Adapter:

- Error messages passed on by ABS are supported in accordance with the ABS Core concept on translation.
- HTTP error messages and status information is passed on by the server. That's why no standardized translation of these error messages is available.



Example of a request without valid bearer token returning http 401 Unauthorized - client error status response code:

POST {{host}}/{{path}}/parties

Params • Authorization Headers (11) Body • Pre-request Script Tests • Settings Cookies Code

Body

```

1 [
2   "classId": "com.cislapi.coreinsurance.core.person.Person",
3   "name": "Doe",
4   "firstName": "Jane",
5   "socialSecurityNumber": "1234181711",
6   "birthDate": "1957-12-12",

```

Body Cookies Headers (11) Test Results •

Pretty Raw Preview Visualize HTML

```

1 <!doctype html>
2 <html lang="en">
3
4   <head>
5     <title>HTTP Status 401 – Unauthorized</title>
6     <style type="text/css">
7       ...

```

Bootcamp Build Browse



Domains and Datalists

The term **datalist** can be seen as the CISL counterpart of the ABS domain concept.



- In Module 2 Core Concepts and Module 3 Data Model, you already learned about domains in ABS context.

As a refresher: domains are predefined ranges for values in the defining data database. They consist of domain values.

A domain can have the following values: functional name, domain type, domain sort. These values can be called via CISL Adapter / data lists. This endpoint provides a list of available domains configured in ABS (e.g. property Role).

- For querying data lists in different languages, the language code (e.g. de-AT) can be submitted via the http request /data lists parameter "locale".
- If the accept-language and locale are provided, the value provided in locale will be evaluated.
- If the locale is not provided, accept-language (=header parameter) will be considered as the preferred language.

Core Concepts

Example of a CISL datalist (BenefitType) being fetched providing the values of the ABS domain (LEISTUNGSART):

```

GET {{host}}/((path))/datalists/com.cislapi.coreinsurance.core.datalists.BenefitType?
locale=en_US

{
  "classId": "com.cislapi.coreinsurance.base.datalist.Datalist",
  "id": "com.cislapi.coreinsurance.core.datalists.BenefitType",
  "options": [
    {
      "classId": "com.cislapi.coreinsurance.base.datalist.Option",
      "value": "SONSLEF",
      "label": "Other benefit",
      "validityPeriod": {
        "startdateTime": "2013-08-01T00:00",
        "enddateTime": "9999-12-31T00:00"
      }
    }
  ]
}
  
```

Data Model

- In the ABS Adapter, a default implementation for "de" = DAU; "en" = EUK and "fr" = FRA is being made available. Here, the customer adapter part must be adapted to the local specifications.
- If no translation is available in the requested language, the standard database language will be used.
- Domain relations can also be fetched from the ABS Adapter using the method GET /datalists/views/{viewId}

- The definition of the domains is carried out at attribute level (e.g. nationality=AT). Seeing a response from a request (e.g. Resource Party with its attribute nationality=AT), only the domain short text is returned in the response. The translation to the corresponding long texts is carried out exclusively via the domain service and has to be loaded separately and mapped accordingly by the Frontend application to the long texts for final output on the User Interface.



Example: retrieve domain values from the domain "property type" filtered on the property category "vehicle"

Domain Property Category

GET /datalists / views / **SACHTYPIND** / **SACHKENNZEICHEN** / K — One value from Domain Property Category (vehicle)

Domain Property Type

A list of filtered datalist values is returned according to ABS concept of domain relations:

```

1  {
2    "classId": "com.cislapi.coreinsurance.base.datalist.Datalist",
3    "id": "SACHTYPIND",
4    "options": [
5      {
6        "classId": "com.cislapi.coreinsurance.base.datalist.Option",
7        "value": "MAMP219",
8        "label": "(Automatic) Washing machines with self-service",
9        "validityPeriod": {
10          "classId": "com.cislapi.coreinsurance.base.types.Interval",
11          "startDateTime": "2006-09-21T00:00",
12          "endDateTime": "9999-12-31T00:00"
}

```



Constraints

The term constraints is understood as a condition that can be defined on an attribute level in resources and representations and are mostly used to define validation rules for the consumer.

These constraints can be set differently and are used as information for the front end in order to improve user experience by reducing server round trips, e.g. format validations can be designed as constraints in order to avoid back end validation and improve usability.

66

Example constraint definition for R GroupBusinessContract (constraints required / datalist):

Attribute Mapping GroupBusinessContract

- Example of the data list constraint: This constraint indicates that the attribute is saved with a domain. This domain is marked as a datalist in CISL.
- If individual constraints are violated, ABS Adapter returns a notification, e.g when sending an incorrect domain value as seen in the Postman example in second slider image.

R/W	CISL attribute	Constraints	Type	ABS table CISL-Datalist
R/W	contractName	Required	String	<TVERTRZUS>.<<RAHMENVERTRNAME>>
R/W	hierarchyLevel	Required Datalist	String	<TRAHMENVERTRAG>.<<HIERARCHIEEBENE>> com.allianz.cisl.core.datalists.ContractHierarchyLevel

The screenshot shows a Postman interface with a POST request to `((host))/{path}/parties/workflowid-(workflowid)`. The Body tab is selected, showing a JSON payload:

```
2  {
3      "classId": "com.cislapi.coreinsurance.core.person.Person",
4      "name": "Busem",
5      "firstName": "Steven Vincent",
6      "genderIdentity": "k",
7      ...
8  }
```

The response status is 400 Bad Request, with a message indicating a validation violation for the genderIdentity field. The response body is:

```
12  {
13      "classId": "com.cislapi.coreinsurance.base.validation.ValidationViolation",
14      "message": "Value must be a valid entry of the datalist com.cislapi.coreinsurance.core.datalists."
15      "genderIdentity",
16      "severity": "EXCLAMATION",
17      "propertyPath": "/genderIdentity",
18      "errorCode": "com.cislapi.coreinsurance.base.validation.0"
19  }
```



Supporting Functions

A set of services is dedicated to the application monitoring:

- GET /info returns information about a specific adapter instance : ABS version, CISL version...

i

Let's see an example.



```
{  
    "classId": "com.cislapi.coreinsurance.base.info.Info",  
    "cisIVersion": "2.30.0",  
    "applicationName": "ABS ADAPTER",  
    "applicationVersion": "20.0.1",  
    "applicationBuildNumber": "20.0.305.39",  
    "items": [  
        {  
            "classId": "com.cislapi.coreinsurance.base.info.Item",  
            "key": "cisIVersion",  
            "value": "2.30.0"  
        },  
        {  
            "classId": "com.cislapi.coreinsurance.base.info.Item",  
            "key": "cisIExtensionVersion",  
            "value": "2.30.6"  
        },  
        ...  
    ]  
}
```

- GET /healthChecks enables to request if a specific Adapter endpoint is Alive or not.

Among the technical information returned, healthChecks provides the state of the Adapter, of the LDAP and database-related info.



Let's see an example.



HealthChecks example:

```
{  
  "classId": "com.cislapi.coreinsurance.base.info.Info",  
  "items": [  
    {  
      "classId": "com.cislapi.coreinsurance.base.info.Item",  
      "key": "A3kSessionCreation",  
      "value": "Session created",  
      "statusCode": 0  
    },  
    {  
      "classId": "com.cislapi.coreinsurance.base.info.Item",  
      "key": "LDAPConnectionAdapter",  
      "value": "LDAP OKAY",  
      "statusCode": 0  
    },  
    ...  
  ]}
```

- The coverage page (e.g. <https://devops.awssbox.allianz.at:9103/adapterv2/coverage.html>) returns information about the implemented methods in a specific adapter instance.



Example of a coverage page :

/contracts/{contractid}/availableamendments	get
/contracts/{contractid}/availableamendments/mainclassList	get
/contracts/{contractid}/availableassignments	get
/contracts/{contractid}/benefitcatalogues	post get
/contracts/{contractid}/benefitcatalogues/{benefitCatalogueId}	put get delete
/contracts/{contractid}/benefitsentitlements	post get
/contracts/{contractid}/benefitsentitlements/{benefitsEntitlementId}	put get delete
/contracts/{contractid}/bonusmalusinformation	post get
/contracts/{contractid}/bonusmalusinformation/{bonusMalusInformationId}	put get
/contracts/{contractid}/coinsurances	post get
/contracts/{contractid}/coinsurances/{coinsuranceId}	put get delete
/contracts/{contractid}/commissionlist	post get



Self in Context of ABS

Resources can be identified via self keys . This is an identification number that is generated by the database, in the orbit or in the business logic in order to identify objects.

- This number is rendered uniformly in obfuscated form as a character string. The length, structure and form of the character string is independent from the context in which it is generated.
- It is part of the resource as an attribute with the name "self". Self keys are mapped just like other business attributes in the ABS Core Adapter , eg : claim.self is mapped to <TSCHADEN>. <>SCH#>>

The purpose of self keys is to identify the unique ID of a resource in order to call this resource with other URIs.

i	Let us see an example.	💡	Retrieve a claim object: 1. POST /oauth/grant returns a valid bearer token 2. GET/search/claims?claimNumber=20165000956 Returns the search result for the claim number 20165000956. 4. GET/claims/ V2D6767D477DCE5EBA8475C4E8D1C14FB01E7126A588E8BAE65A4ACBAAE72 Returns the claim object corresponding to the Id in the URL. { "classId": "com.cislapi.coreinsurance.core.claim.Claim", "self": "V2D6767D477DCE5EBA8475C4E8D1C14FB01E7126A588E8BAE65A4ACBAAE72 "contractNumber": "A809067119", "claimNumber": "20165000956", "currency": "EUR", "lossDateTime": "2016-03-23T00:00", "dateOfLossVerified": false,
---	------------------------	---	--

⌚	Workflow
---	-----------------

Just like in the ABS Rich Client, sessions are used in the ABS Core Adapter to read and modify business objects, preventing from concurrent operations when updating a claim for instance. (file locking)



- The representation of this session or "state" in the CISL is the resource "workflow".
- In the ABS Core Adapter, the workflowId allows to bind several service calls to the same business process.

Is the workflow mandatory?

A workflow is used to read and write data within a session. This is also known as stateful session handling.

A read-only access to those business objects without workflow is also possible.

How should the workflow be used?

The business context should be specified when creating the workflow. (e.g : contract management or claim management). Once the workflow has been created, the workflowId has to be passed as query parameter with the request.



Example, Creation of an address for an involved person in a claim.

Request	Response	Description
POST/workflows "Workflowtype" = "CLAIM_MANAGEMENT"	Workflow "self" : "workflow123"	This call creates a new claim workflow. All data within the workflow is not persisted until the workflow is published (=stateful)
POST/claims?workflowId=workflow123	claim	New claim is created
POST /parties?workflowId=workflow123	party	New person is created in the context of the claim
POST /parties/{partyId}/addresses? workflowId=workflow123	address	New address is created for a person in the context of the claim
POST/claims/{claimId}/publication? workflowId=workflow123	publication	Data is persisted (in this case: claim and party is saved)
DEL /workflows/workflow123	workflow	The workflow session is deleted. Note : this request only removes the technical session and unlocks the claim



CISL MasterID, what for?

When using workflow in CISL within a contract or claim processing, it can happen that the resource to be created or updated is not directly accessible via the workflowID, e.g. when creating a document for an assignment in a claim workflow.

- In this case, it would not be possible to use the workflowID: POST /documents?workflowID={workflow} would lead to the creation of a document in the claim and not to the creation of a new document for a given assignment within the claim.
- To support this usecase, the MasterID concept was introduced.



A document should be created for an assignment in a claims workflow.

For the POST /document the workflow claims (workflowId) is sent as a query parameter and the masterId (TypedLink – Information of the assignment) is provided in the body:

The masterID has a specific type: TypedLink in CISL which consists of [class name + ID of resource]. The extract of the code below shows the masterID is the assignment for which the document has to be created.

As a result, the document is created for the business object assignment in the claims file.

Additionally, the masterId can also be used to already load a business object during workflow creation.

Therefore, no specific request is needed in order to load a specific business object (eg. contract).

POST /document?
workflowId={workflowId}

Body: {
"classId":
"com.cislapi.coreinsurance.core.document.Document"
...,"masterId":"com.allianz.cisl.core.claim.Assignment"
}



A Contract workflow gets opened and parties and addresses for that contract should be fetched.

POST /workflows/{workflowId}

```
{  
  "classId" : "com.cislapi.coreinsurance.core.workflow.Workflow",  
  "workflowType" : "CONTRACT_MANAGEMENT",  
  "extEntity" : {  
    "classId" : "com.cislapi.coreinsurance.ext.extworkflowmanagement.ExtWorkflow",  
    "logicalSection" : "V SONSTI",  
    "masterId": "com.allianz.cisl.core.contract.Contract@{contractId}"  
  }  
}
```

Now the eg: /parties for that contract can be fetched:

GET /parties?workflowId={workflowId}

Coarse-Grained Services

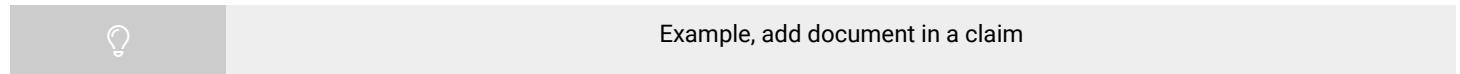
The ABS Core Adapter and more generally REST services are mostly consumed by web frontends to support the possible interactions between user and business logic. Thus, most of the services are designed in a fine grained way to cover all possible actions of the UI.

But, for specific use-cases, using coarse grained services might be meaningful, e.g :

- Machine to machine communication
 - Simple workflows not involving specific insurance logic/validations
 - Need to reduce chattiness by aggregating data

To address those use-cases, the ABS Core Adapter offers following possibilities:

- Read or create claim, contract, assignment or party in a single call. In This case, workflows are not needed.
 - Support usage of containments in POST requests
 - Support of the CISL “resolve” parameter, enabling to return specific entities as containments in a GET request.



Fine-grained: two calls are required as seen in the following screenshots

```
POST {{host}}/{{path}}/claims?workflowId={{workflowId}}
Send Save

Params Auth Headers (11) Body JSON Pre-req. Tests Settings Cookies Beautify

raw JSON
1 [{}]
2   "classId": "com.cislapi.coreinsurance.core.claim.Claim",
3   "contractNumber": "A803975147",
4   "lossDateTime": "2018-01-05T12:30",
5   "claimClass": "{{claimClassId}}",
6   "lossType": "{{lossTypeId}}",
7   "lossCause": "{{lossCauseId}}"
8 ]
```

First, the claim is created with POST / claims request (in this case, claims workflow).

```

POST {{host}}/((path))/documents?workflowId={{workflowId}}
Send Save
Params Auth Headers (11) Body Pre-request Tests Settings Cookies Code
raw JSON
1
2   "classId": "com.cislapi.coreinsurance.core.document.Document",
3   "fileName": "FNOL.pdf",
4   "direction": "INCOMING",
5   "documentType": "DSCHM",
6   "creationDateTime": "2018-10-28T19:40:00.428",
7   "deliveryMethod": "G"
Body Cookies Headers (9) Test Results
Pretty Raw Preview Visualize JSON
1
2   "classId": "com.cislapi.coreinsurance.core.document.Document",
3   "self": "V2900B4B9C472FB0512766C44CE4CB52C1FFF684F11B83A848A0075AD6CC0968A0004E03F8F35EB4D8395824E7BE1E39",
4   "fileName": "FNOL.pdf",
5   "direction": "INCOMING",
6   "documentType": "DSCHM"

```

Then, for the created claim a document is created using the service documents with the connection to the business process (specific claim) provided by the workflow ID.

Coarse-grained: A list of documents is already provided in the claims object and therefore, only a single request is needed to create the claim including documents.

```

POST {{host}}/((path))/claims
Send Save
Params Authorization Headers (11) Body Pre-request Script Tests Settings Cookies Code
none form-data x-www-form-urlencoded raw binary GraphQL JSON Beautify
1
2   "classId": "com.cislapi.coreinsurance.core.claim.Claim",
3   "contractNumber": "A803975147",
4   "lossDateTime": "2018-01-05T12:30",
5   "claimClass": "[{claimId}]",
6   "losstype": "[{losstypeId}]",
7   "lossCause": "[{lossCauseId}]",
8   "documents": [
9     {
10       "classId": "com.cislapi.coreinsurance.core.document.Document",
11       "fileName": "FNOL.pdf",
12       "direction": "INCOMING",
13       "documentType": "DSCHM",
14       "creationDateTime": "2018-10-28T19:40:00.428",
15       "deliveryMethod": "G"
Body Cookies Headers (9) Test Results
Pretty Raw Preview Visualize JSON
1
2   "classId": "com.cislapi.coreinsurance.core.claim.Claim",
3   "contractNumber": "A803975147",
4   "lossDateTime": "2018-01-05T12:30",
5   "claimClass": "[{claimId}]",
6   "losstype": "[{losstypeId}]",
7   "lossCause": "[{lossCauseId}]",
8   "documents": [
9     {
10       "classId": "com.cislapi.coreinsurance.core.document.Document",
11       "fileName": "FNOL.pdf",
12       "direction": "INCOMING",
13       "documentType": "DSCHM",
14       "creationDateTime": "2018-10-28T19:40:00.428",
15       "deliveryMethod": "G"

```

Both variants (fine grained and coarse grained) would lead to the same result and create a claim + document, e.g. claim opened in the ABS Rich Client:

<->	Medium	Document type	Date/Time	Description	Complet.
O... ▾	E-mail	Push e-mail	07/05/2019 14:53		
I... ▾	ABS	Notice of loss	07/05/2019 14:53	FNOL.pdf	

💡 Retrieve documents from the claim object by using a resolve parameter. Implemented / nested objects of e.g. the claims objects can be retrieved by providing the specific resolve parameter already when getting the claim.

```

22 "externalReferenceNumber": "",  

23 "totalOutstandingLoss": "EUR 0.00",  

24 "documents": [  

25   {  

26     "classId": "com.cislapi.coreinsurance.core.document.DocumentInfo",  

27     "self":  

28       "V2D5BB6E2CA55BEC235AC09CE94507A4AC06AB01C94363CEF7B6A7F007500E65BA7765F7D5A0A5E0004A8A106406F29  

29       SC",  

30     "direction": "OUTGOING",  

31     "documentType": "XPUSH",  

32     "creationDateTime": "2019-07-05T14:53:31.207",  

33     "deliveryMethod": "E",  

34     "signed": false,  

35     "subject": "FNOL",  

36     "creator": "TESTALL",  

37     "mimeType": "application/octet-stream",  

38     "documentStorageType": "L"
  
```



Knowledge Check

Explain briefly what constraints are and what they are used for.

- condition, defined at attribute level in resources and representations
- used to define validation rules for the consumer
- used as information by front end in order to improve the user experience

What are workflows and how are they used?

- representation of sessions to read or modify business objects in ABS Core Adapter
- workflow ID allows multiple service calls to be bound to the same business process
- for usage: business context needs to be specified when creating workflows

e.g. contract or claim management



Definitions

[HTTP](#)

[REST](#)

[CISL](#)

[Domain](#)

[Defining Data](#)

[Interface](#)

[Claim](#)

[Assignment](#)

[Claim](#)

Tools

Tools



ABS Core Adapter design and test activities are supported by some off-the-shelf tools:

- **Postman:** desktop application dedicated to web services testing, and specifically for REST environments. <https://www.getpostman.com/>
- **Swagger UI:** enables visualization of the API and interaction with the backend without any code knowledge. <https://swagger.io/tools/swagger-ui/>
- **Service catalog:** enables visualization of a specific ABS Core Adapter implementation. It shows which CISL services and methods are implemented in specific ABS Core Majors (production maturity). <https://cisl.allianz.at/service-catalog/implementations/>
- **Docker Management Tool:** used to start instances of an adapter implementations within a cloud. With this it is possible to test the implementations of the endpoints via postman for example (<https://infra.awssbox.allianz.at:8443/start>)



Definitions

CISL

REST

**Congratulations, you have completed all modules for the
ABS Professional Certification!**



Congratulations