Australia Life Insurance Program Activity and Implementation Report

December 2014

ACORD is a non-profit membership standards development organization (SDO) which develops and maintains forms and data standards and provides professional and technical support to the insurance industry in the U.S. and around the world.

This Program Activity Report is published quarterly to provide non-technical descriptions of ACORD's standards development efforts to ACORD members and other interested parties. . Annually, the first quarter report introduces the year's priorities, mid-year reports provide statuses, and the year-end report summarizes accomplishments.

Any and all comments and questions are appreciated. Please contact Alan Stitzer at astitzer@acord.org

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Introduction

Purpose of this Guide

This guide provides regular quarterly updates to all standards participants and interested parties regarding the current activities, issues and accomplishments in the ACORD Australia General insurance Program Standards Program.

The ACORD Australia Life Insurance (AU LI) Program

The Australia Life Insurance market had been discussing the use of standards for several years, closely following the developments of the ACORD General Insurance Standards efforts. Several exploratory meetings have been held to asses both needs and interest with a finding that there is indeed interest and commitment to the development of life

standards for Australia. A fairly extensive list of immediate as well as long term needs have been identified, more than enough to support a Program.

Equally important a significant and sufficient number of insurers, fund managers, distributors and vendors have expressed interest. Some have already joined ACORD for Framework and in general support or are current members who wish to expand their use of ACORD standards in Australia. More will follow with the expectation that we setup a life program for this community.

The Australian Life Insurance Program provides insurance standards for the Australian Life Insurance marketplace - defined broadly as all mortality/morbidity risk based products; including life, annuities, disability, long term care products - satisfying the community's expressed data standards needs.

Life Insurance in Australia is distinct from both a regulatory perspective - governed and regulated/responsible to its own sovereign laws - as well as having its own distinct local market with its own unique mix of market participant insurers, distributors and service providers and thus unique priorities and needs.

Products for and in the AU marketplace are designed specific to the market with specific regulatory requirements including tax restrictions, required provisions and restrictions while still fundamentally sharing the basic product design patterns used in other markets and thus similar informational needs (data).

This community includes organizations who offer and service life insurance products in Australia. The members of this community shall have an active interest in life insurance in the domestic Australian market.

The reuse of a common base ACORD standard, adding additional unique market requirements while reusing all common sharable concepts shall be dually enforced. The local market deliverables, in particular the message specifications, will be voted on by only the local Australia member participants. This provides assured global reuse and consistency of design with local specific content and supplemental definition.

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AU LI Steering Committee Chair – Mick Young
AU LI Steering Committee Vice Chair – TBD
ACORD Standards and Steering Committee Members 📄
Public Program Information 📄
Public Standards Site 📄
Member Collaboration Site 📄
ACORD Governance Documents 📄

Achievements

For more information and resources be sure to check out the Australia community page on the ACORD website – www.acord.org

What's New in AULI

The program is pleased to announce the release of version 1.1.0. This release included various updates to codes as well as data fields to be able to handle life reinsurance.

We are looking forward to a very good 2015 with additional implementations planned for other members.

ACORD Forum Australia was a huge success, with a very good turnout and good feedback from the attendees.

Objectives 2014

The Steering Committee has approved the following goals for the program in 2014. We are pleased to announce that all goals for 2014 have been met.

Goals	Focus Areas	Objectives	Expected Outcome	Actionable Steps
Map From L&A to AML	On specific use cases, work with the community to map L&A to AML	Provide mappings from L&A to AML	Definitive mapping of L&A to AML	Check points on the group doing the mapping.
Increase membership and participation	Prospects and working group members. Insurers, Reinsurers, SuperFunds, Advisor Market, vendors	Improve Life market participation in development and enhancement of the standards.	Better pickup of the standards in the market.	Face to face meetings with prospects to increase membership. Communicate working group schedules to appropriate people within the individual

Goals	Focus Areas	Objectives	Expected Outcome	Actionable Steps
				organizations. Meet with organizations that are not just pure insurance, but have relevance to the industry.
Build Awareness and Expertise of Standards	Encourage the creation of experts who can guide carriers and solution providers toward the optimal use of ACORD transactions	Cultivate new A.C.E.s Contribute continued education sessions to ACORD Forum Australia Deliver innovative standards documentation that provides unambiguous instructions in the use of ACORD AULI transactions	Increase in number of A.C.E.s A.C.E.s with up-to-date information on recent standard modifications Growing number of implementations	Contribute to education program and documentation / training material publication efforts Conduct continuing education sessions as required, including two webinars annually
Refine and Enhance Communication	Better understand the needs of our entire user community	Leverage relationships with ACORD and industry organizations	Initiatives aligned with industry needs Recognition of ACORD's	Monitor organizations for issues that may be addressed by this program

Goals	Focus Areas	Objectives	Expected Outcome	Actionable Steps
		Publicize important issues and program progress through ACORD media, keeping our membership up to date with current information	responsiveness and agility in evolving standards to meet business needs	Publish relevant, emerging news in ACORD Newsletter
				Publish stories in InsuranceNews
		Drive to change perception that standards eliminate all differentiation.		Schedule roundtable meetings to talk about ACORD to individual organizations.
				Hold public roundtables.
Refine and Enhance Standards	Concentrate on SuperFunds and Wholesale market, Annuities, Business Process Guide, Trusts	Drive implementations for each of the messages listed in the "Focus Areas" column	Implementations of the messages	Work with ACORD resources to ensure the proper people from the organizations are involved to drive enhancing, testing and implementing of the messages.
Refine and Enhance SDO Processes	Support and promote the adoption and	SDO Process Repository	List of processes (internal and external)	Contribute process information to

Goals	Focus Areas	Objectives	Expected Outcome	Actionable Steps
	use of tools that enhance the ability to develop and utilize ACORD standards	Dynamic steering committee engagement	illustrating steps followed in producing standards	PWG Community page.
	Ensure working groups employ the most efficient use of member / ACORD time and resources. Working groups are listed in the Program Activity Report.		Communities focused on understanding business problems rather than simply "adding elements to a standard"	Continue using issue list for WG agendas, minutes, MR review, Plenary, ballot, and continuing education
			Engagement and involvement of ACORD architectural staff in standards evolution process	Succession planning, event planning, WG reviews, Awards

AU LI Program Key Activities & Work Streams

The AULI Program activities fall into two major categories; Program Initiatives and Working Groups. Work in each of these areas is described below.

> *October 2014 - A note from your Program Chair, Mick Young*
>
> *2014 was a very good year for the AU Life program. All of our goals were met and the release of version 1.1.0 makes a strong statement that the life program is committed to standards.*

Program Initiatives

The AULI Program Steering Committee has set up several major initiatives independent of day-to-day standards maintenance responsibilities and the working groups activities (details following).

These include;

- **<u>Implementation Services Support</u>** – ACORD is increasing efforts to develop a wide range of innovative and effective tools, services and activities to encourage and support *implementation* of standards. The AULI Program, in the course of its responsibilities to manage the standards development process, wants to insure we do everything in our power to support this effort. This focused effort has begun with the recently launched ACORD 2020 Advisory Council
- **<u>Communication</u>** – With so much going on at ACORD both within programs and globally across programs this effort will continue to improve the content as well as delivery of standards development information.

Additional initiatives are being discussed and prioritized.

Working Groups

The driving force of standards maintenance is our working groups made up of industry volunteers who spend valuable time understanding gaps & issues and developing the optimum solutions for each within the standards.

Get involved…it's easy. Contact the facilitator for more information or simply join in any one of the recurring conversations to add your voice!

Working Group Status Indicator Definitions:

▲ Good – Group is meeting regularly, with representative attendance, has defined objectives it is achieving on schedule.

► Warning – Group is correcting its issues and expected to be Good next report.

▼ Critical – Group is lacking in attendance, defined objectives or progress

◄ On Hold – Future direction is being determined

The current groups are listed below in alphabetic order.

▲ AU LI Program Working Group

Chair: John Wells, CommInsure
Contact chairs: john.wells@cba.com.au

Facilitators: Alan Stitzer astitzer@acord.org
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Latest Status (updated October, 2014)

The release of version 1.1.0 to include life reinsurance data was a huge step for the program. We look forward to an even more productive 2015!

This is the primary business working group for the program. All day-to-day maintenance requests and standard development processes through this group. All participants in the AULI Program are encouraged to participate.

Schedule & Milestones

- During the 1Q 2014 the group shall:
    - Put together goals for the program and determine timetables for working group activity
        - Complete
    - Get approval by the steering committee for the working group schedule
        - Complete

- During the 2Q 2014 the group shall:
    - Implement steps to achieve goals
        - Complete
    - Implement the working group schedule
        - Complete

- During the 3Q 2014 the group shall:
    - Work on Release 1.1 of the Australia Life XML
    - o DONE
    - Work on relationships with other associations.
    - o Done

- During the 4Q 2014 the group shall:
    - Continue to work on Release 1.1 of the Australia Life XML, as scope is increasing to accommodate the community.
        - COMPLETE

Benefits of Participation

Participation in this working group gets you a voice and a vote in the data required for a standard way to do both policy placement, but also claims business transactions one way.

Implementation Activities

Appendix: Program History & Achievements

Achievements

Achievements 2014
- The initial version of the business process guide was completed
- Version 1.1.0 was released.

Achievements 2013
November 2013: The first AML messages for Life insurance voted on and approved.

Achievements 2012
Policy Variation message completed in January 2012

Achievements 2011
Program Initiated in late 2011