



# Australia/New Zealand Life Insurance Program Activity and Implementation Report

(PAIR Report)

*March 2015*

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 global insurance industry.

This Program Activity Guide is prepared to regularly inform ACORD members and other interested parties on the standards development efforts underway in a non-technical manner. This publication is produced quarterly with the first quarter introducing the priorities for the year, the mid-year reports providing status and the year-end reporting a summary of accomplishments.

Any and all comments and questions are appreciated. Please contact either the standards

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## Introduction

### Purpose of this Report

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

### The ACORD Australia/New Zealand Life Program (ANZLI)

The Australia/New Zealand 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 assess 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 and New Zealand.

The ANZLI Program provides insurance standards for the Australia and New Zealand 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 and New Zealand 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 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 and New Zealand. The members of this community shall have an active interest in life insurance in the domestic Australian and New Zealand markets.

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 ANZ member participants. This provides assured global reuse and consistency of design with local specific content and supplemental definition.

The Program manages one data standard; the ACORD Messaging Library (AML).

For more information and resources be sure to check out the ANZLI Community page on the [ACORD website](#)

AU/NZ LI Steering Committee Chair(s): (Interim) Atul Sood (TAL)  
Director, Global Development, Alan Stitzer; [astitzer@acord.org](mailto:astitzer@acord.org)  
Australia/New Zealand Representative, Steve Tuften; [stuften@acord.org](mailto:stuften@acord.org)  
[ACORD Standards and Steering Committee Members](#)  
[Public Program Information](#)  
[Public Standards Site](#)  
[ACORD Governance Documents](#)

### **What's New in the ACORD Australia/New Zealand Life Insurance Program**

Since the beginning of the year, the group has been hard at work on modelling investment correspondence messages.

Working with the members, progress is moving steadily forward, with a planned release for 2Q 2015.

## Working Group Scorecard

### Categories & Definitions

- **Overall Performance** – Objectives are being met, Group is meeting regularly, with representative attendance/participation, defined objectives are being achieved and on schedule.
- **Timeline & Deliverables Process**– the objectives defined by the WG are on schedule
- **Attendance & Membership Commitment** - Group is meeting regularly, with representative attendance,
- **Objectives / Needs being met** – Defined objectives and progress is being made by the Working Group.
- **Contribution from Members** – Working Group members are providing the appropriate level of input for the groups.

### Status Indicators & Definitions

- ▲ **Good** – Group is on target for the specific category
- ▶ **Warning** – Group is aware the performance is jeopardizing the success of the working group's goals and is correcting the issue.
- ▼ **Critical** – performance is not being met by this Group.
- ◀ **On Hold** – Future direction is being determined.

1 <sup>st</sup> Quarter Performance	Scope of Work	On Schedule	Attendance	Member Contribution	Implementation Commitment
PWG	▲	▲	▲	▲	▲

## 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.

*Visit the [Australia/New Zealand Communities site](#) and “FOLLOW” working group [at this link!](#)*

Click on the Working Group Name (below) to access all details specific to that working group. Including:

- Meeting Minutes
- Work In Progress
- Shared Documents
- Active Participants
- Meeting Calendar

The Australia/New Zealand Life Insurance (ANZLI) Working Groups are listed below in alphabetic order:

### **Claims (Placeholder)**

*Latest Status (updated March, 2015)*

PLACEHOLDER – FUTURE WG

The purpose of this group is to design messages to provide the ability to process Claims through the full Claims lifecycle via electronic messaging.

Currently AML includes only a subset of the messages required for full lifecycle processing of Claims.

Messages currently implemented in AML for claims management include messages for lodgment, inquiry, bordereaux and synchronization. Messages currently missing from the standard include those for claims handling including assessment, finalization, payment and settlement.

The value of this joint working group is twofold. Standards help this effort by supporting straight through processing of claims for brokers/intermediaries and Insurers. Additionally, value is added by reducing operational expenses in managing claims processing through automation of the full lifecycle of claims management.

**Meeting Frequency:** TBD

#### **Schedule & Objectives**

- Collect Business Requirements.
- Communicate with P&C, L&A and GRLC to ensure consistency between the standards and the ACORD Framework.
- Create new message aggregates for AUNZGI, AUNZLI standards as well as (potentially) SAST.

Original Working Group Proposal

#### **Implementation and Advocacy**

## Program Working Group

### *Latest Status (updated March 2015)*

The program working group has been very busy collecting requirements for investment correspondence. These new messages are used send communications about an investment to a party involved in that investment.

To this point, the modelling has been completed. The group is now working on putting the issue log together so those changes can be applied to the standard.

We expect release 1.2.0 to be ready in 2Q 2015.

The Australia/New Zealand Life Insurance Program Working Group (ANZLI PWG) is a core working group of all members responsible for the execution of activities within the ANZLI Program. It provides a single point for all major decisions, resolving disputes at working group level, creating (sub) working groups and teams as needed for focused work and rapid issue resolution. A key role of the PWG is the management of issues within the ANZLI Program ensuring all issues are addressed in a timely manner, supporting use of the standards. The ANZLI PWG also provides a forum for reviewing and approving iteratively-produced draft specifications, and recommending adoption by the ANZLI Program Steering Committee.

Participants new to the ACORD Standards and the Maintenance Request (MR) process will gain valuable insight by directly participating in the SDO standards processes in action. By sharing in the review process participants are exposed to the broad scope of the Standard and the nuances associated with the art of development through consensus. Participants are able to keep tabs on the direction of changes to the Standard and pilot the Standard in support of their and the industry's needs.

**Meeting Frequency:** This working group meets when there are issues to review.

### **Schedule & Objectives**

- Review issues to ensure the submitter needs are met and issues are well-formed and optimal improvements to the standards in preparation for full member vote.
- Manage, prioritize and address issues for the program.
- Produce and submit issue logs as needed.
- Review and recommend for approval, by the Program Steering Committee, each release.
- Review and prioritize major release enhancements on future version list to create a major version roadmap.

### **Implementation and Advocacy**

- The only reported implementation of the standard are the Claims Lodgment and New Business messages by TAL.

## Settlement (Placeholder)

*Latest Status (updated March, 2015)*

PLACEHOLDER – FUTURE WG

The settlement process is important to both the life and GI markets. The Steering Committees wanted to make a concerted effort to work together on a project with meaning to both domains.

It should be noted here that GRLC has a settlement process that is in use globally. Therefore the companies in the reinsurance and large commercial space are keen to have a global accounting and settlement process applicable thru the insurance value chain and geographies. It is the intent of this working group to analyze and follow that process.

There is a great opportunity for this joint working group to be a model for cross domain message development.

There have been discussions with the GRLC team prior to this WG proposal being submitted. Members of the GRLC Steering Committee, Program Working Group and implementation communities, and/or their local representatives, as well as the ACORD GRCL team will participate in the WG during the process requirements phase. This interaction will give both teams valuable insight into the each other's requirements.

Updates on these meetings will be given to the GRLC Program Working Group to ensure they are kept aware of progress being made.

**Meeting Objectives:** TBD

### **Schedule & Milestones**

- Analyze and present already existing settlement process to the joint working group.
- Collect Business Requirements
- Communicate with GRLC to ensure consistency between the standards
- Create new message aggregates for AUGI and AULI standards.

Original Working Group Proposal

### **Implementation and Advocacy**

## Objectives 2015

The 2015 AUNZ LI Goals and Objectives are listed in the following table.

<b><i>AUNZLI 2015 GOALS REPORT</i></b>					
<i>Goals</i>	<i>Focus Areas</i>	<i>Objectives</i>	<i>Expected Outcome</i>	<i>Actionable Steps</i>	<i>Result</i>
<b>Mapping from L&amp;A to AML</b>	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.	
<b>Increase Membership and Participation</b>	Prospects and working group members.	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.	
	Insurers, Reinsurers, SuperFunds, Advisor Market, vendors			Communicate working group schedules to appropriate people within the individual organizations.	

## ***AUNZLI 2015 GOALS REPORT***

<i>Goals</i>	<i>Focus Areas</i>	<i>Objectives</i>	<i>Expected Outcome</i>	<i>Actionable Steps</i>	<i>Result</i>
				Meet with organizations that are not just pure insurance, but have relevance to the industry.	
<b>Build Awareness and Expertise of Standards</b>	Encourage the creation of experts that can guide carriers and solution providers toward the optimal use of ACORD transactions	Cultivate new A.C.E.s	Increase in number of A.C.E.s	Contribute to education program and documentation / training material publication efforts	
		Deliver innovative standards documentation that provides unambiguous instructions in the	Growing number of implementations	Conduct continuing education sessions as required	

# AUNZLI 2015 GOALS REPORT

<i>Goals</i>	<i>Focus Areas</i>	<i>Objectives</i>	<i>Expected Outcome</i>	<i>Actionable Steps</i>	<i>Result</i>
		use of ACORD AULI transactions			
<b>Refine and Enhance Communication</b>	Better understand the needs of our entire user community	Leverage relationships with ACORD and industry organizations	Initiatives aligned with industry needs	Monitor organizations for issues that may be addressed by this program	
		Publicize important issues and program progress through ACORD media, keeping our membership up to date with current information	Recognition of ACORD's responsiveness and agility in evolving standards to meet business needs	Publish relevant, emerging news in ACORD Newsletter	
				Publish stories in InsuranceNews and Insurance and Risk Professional.	
			Schedule roundtable meetings to talk about ACORD		

## ***AUNZLI 2015 GOALS REPORT***

<i>Goals</i>	<i>Focus Areas</i>	<i>Objectives</i>	<i>Expected Outcome</i>	<i>Actionable Steps</i>	<i>Result</i>
				to individual organizations.	
<b>Refine and Enhance Standards</b>	Managed Funds (Investment Correspondence)	Work with the Program Working Group to add new messages to the AULI Standard for managed funds	New messages to be implemented	Monitor the work of the working group to ensure timetables and milestones are met.	
	Claims	Work with the Program Working Group to add new messages to the AUGLI Standard for claims. Also (possibly) enhance the existing claims messages.	New or enhanced messages to be implemented	Monitor the work of the working group to ensure timetables and milestones are met.	

## ***AUNZLI 2015 GOALS REPORT***

<i>Goals</i>	<i>Focus Areas</i>	<i>Objectives</i>	<i>Expected Outcome</i>	<i>Actionable Steps</i>	<i>Result</i>
	Alignment with SuperStream	Work with the industry associations to ensure the standards are aligned with industry needs.	New or enhanced messages to be implemented	Monitor the work of the working group to ensure timetables and milestones are met.	
	Policy Lifecycle	Work with the Program Working Group to add new messages for policy lifecycle	New or enhanced messages to be implemented	Monitor the work of the working group to ensure timetables and milestones are met.	
<b>Refine and Enhance SDO Processes</b>	Support and promote the adoption and use of tools that enhance the ability to develop and utilize ACORD standards	SDO Process Repository	List of processes (internal and external) illustrating steps followed in producing standards	Contribute process information to PWG Community page	

## ***AUNZLI 2015 GOALS REPORT***

<i>Goals</i>	<i>Focus Areas</i>	<i>Objectives</i>	<i>Expected Outcome</i>	<i>Actionable Steps</i>	<i>Result</i>
	<p>Ensure working groups employ the most efficient use of member / ACORD time and resources. Working groups are listed in the Program Activity Report.</p>	<p>Dynamic steering committee engagement</p>	<p>Communities focused on understanding business problems rather than simply "adding elements to a standard"</p>	<p>Continue using issue list for WG agendas, minutes, MR review, Plenary, ballot, and continuing education</p>	
			<p>Engagement and involvement of ACORD architectural staff in standards evolution process</p>	<p>Ensure the architectural staff is engaged in working group calls and also work offline to validate design decisions.</p>	

## Communities and Industry Associations

ACORD's mission includes aid and support of implementers. This is accomplished through "Communities." These communities may be created as standards (SDO) efforts or they may be created independently by members and/or non-members, together seeking to solve one or more business problems. The activities of these groups may result in traditional L&A Program working group efforts, or may be educational or advocacy communities. ACORD staff and resources are a vital component of these communities.

ACORD Communities focus on specific issues and opportunities. They set goals to support standards usage, initiatives and promote consistency of implementation.

Industry Associations may also host communities that ACORD participates on to assist with implementation and development of ACORD Forms, Data Standards and the ACORD Reference Architecture (Framework).

Key to the relationship between ACORD Communities and Associations is advocacy and promotion of consistent and successful use of ACORD forms, standards and reference architecture.

<b>Sponsor / Community</b>	<b>Key Objectives and Activities</b>
ANZIIF - The Australia and New Zealand Institute of Insurance & Finance	We are working to broaden our relationship with this association concerning education opportunities.
APRA - Australian Prudential Regulation Authority	The Australian Prudential Regulation Authority (APRA) oversees banks, credit unions, building societies, general insurance and reinsurance companies, life insurance, friendly societies and most members of the superannuation industry. APRA is funded largely by the industries that it supervises. It was established on 1 July 1998.
ASFA - The Association of Superannuation Funds of Australia	To advance effective retirement outcomes for members of funds through research and advocacy, and to serve ASFA members by providing a range of services.

<b>Sponsor / Community</b>	<b>Key Objectives and Activities</b>
ASP – Affiliation of Superannuation Practitioners	<p>ASP has been established by industry practitioners as a superannuation industry body to identify, develop and implement operational efficiency improvements for the administration of superannuation funds and their members.</p> <p>ASP was formed in November 2010 to support the Federal Government in the delivery of its Superstream initiatives. ASP was legally incorporated on 28 February 2013 as a company limited by guarantee.</p> <p>ASP's focus is solely on practical initiatives to improve efficiency of the system. ASP has a current focus on SuperStream, but based on the achievements to date, ASP is well placed to add substantial long term value to members of superannuation funds through working together on administration efficiency opportunities well beyond the completion of current government reforms.</p>
IFF – Industry Funds Forum	<p>The Industry Funds Forum (IFF) is a non-profit, non-political, national incorporated association whose members are the Chief Executive Officers of twenty four (24) of Australia's largest industry superannuation funds (Industry Funds). These funds include multi-industry and industry-specialist, national and state funds.</p>