



ACORD Knowledge Center

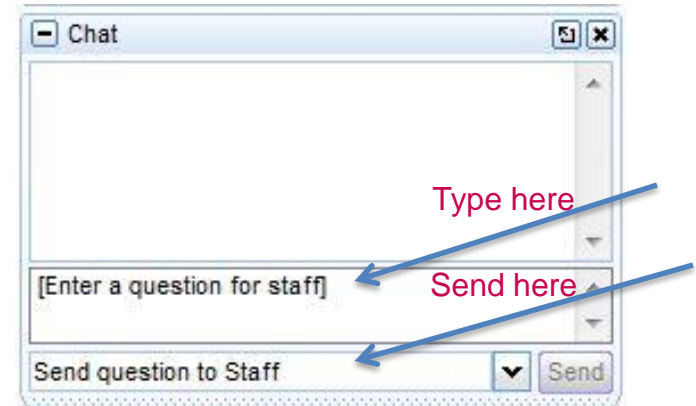
Binding Authority Claims Reporting Standards

20 March 2013

Questions



To ask a question, please use the Chat feature.



If we can't answer all questions during the webinar, we'll respond to all attendees by email.

Coverholder reporting standards

- Lloyd's standard spreadsheet template for premiums and claims
 - ** see Lloyd's website **

Lloyd's website

LLOYD'S
THE WORLD'S SPECIALIST INSURANCE MARKET

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I AM A... DIRECTORIES COMMUNICATIONS BUSINESS TIMETABLE OPERATING AT LLOYD'S TOOLS & RESOURCES

OPERATING AT LLOYD'S

- Control Framework
- Exchange
- Market Services
- Regulation
- Solvency II
- Claims
- Tax Department
- Performance Framework of Minimum Standards
- Treasury & Investment Management
- Insurance Information Standards**
- Coverholder Reporting Standards
 - Reporting Standards
 - Risk Exposure Reporting (Including US Property)
 - Risk and Premium Reporting
 - Claims
 - UK Employers' Liability
 - Local Office Reporting
- Resources

COVERHOLDER REPORTING STANDARDS

Coverholders, also known as MGAs, have to report on risks, premiums and claims transacted under their binding authority contracts to Lloyd's syndicates. Usually the coverholder sends a monthly spreadsheet bordereaux to the broker in London, but some coverholders now send information using XML. Lloyd's wants to make the process clearer for coverholders so we have introduced Lloyd's Coverholder Reporting Standards. The standards are the premium standard (for reporting core risk information and paid premium transactions), the claims standard and ACORD's ER3001 (for reporting US property risk exposures).

In some territories, coverholders also have to report to their local Lloyd's office. We are in the process of providing information about this below. If your territory is not included then please contact your local Lloyd's office to ensure you are meeting all local regulatory requirements.


- > **Reporting Standards**
- > **Risk Exposure Reporting (Including US Property)**
ACORD ER3001 applies to coverholders writing US property risks and can be used for other territories too. ACORD have now also introduced XML for Exposure Reporting which can be used for all territories.
- > **Risk and Premium Reporting**
Lloyd's Premium Reporting Standards provide details of the core risk and paid premium transaction information Coverholders need to provide to London.
- > **Claims**
Lloyd's claims standards apply to coverholders and Third Party Administrators (TPAs) with claims authority.
- > **UK Employers' Liability**
Coverholders writing UK employers' liability risks must provide sufficient information to enable Lloyd's syndicates to report to the Employers' Liability Tracing Office (ELTO).
- > **Local Office Reporting**

CONTACTS

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DOWNLOADS

-  [An Introduction to Coverholder Reporting Standards](#)
-  [Coverholder Reporting Standards User Guide](#)
-  [GAREAT Procedure Manual](#)
-  [Premium Reporting Template V2](#)
-  [Claims Reporting Template V2](#)
-  [ELTO Template](#)

SEE ALSO

- > [Coverholders](#)
- > [Exposure Management](#)

RELATED INTERNET LINKS

- > [ACORD Website](#)
- > [ACORD ER3001 - Binding Authority Implementation Guide](#)
- > [ACORD Exposure Reporting XML Standard](#)
- > [ELTO Website](#)

<http://www.lloyds.com/the-market/i-am-a/delegated-authority/operations/reporting-standards>

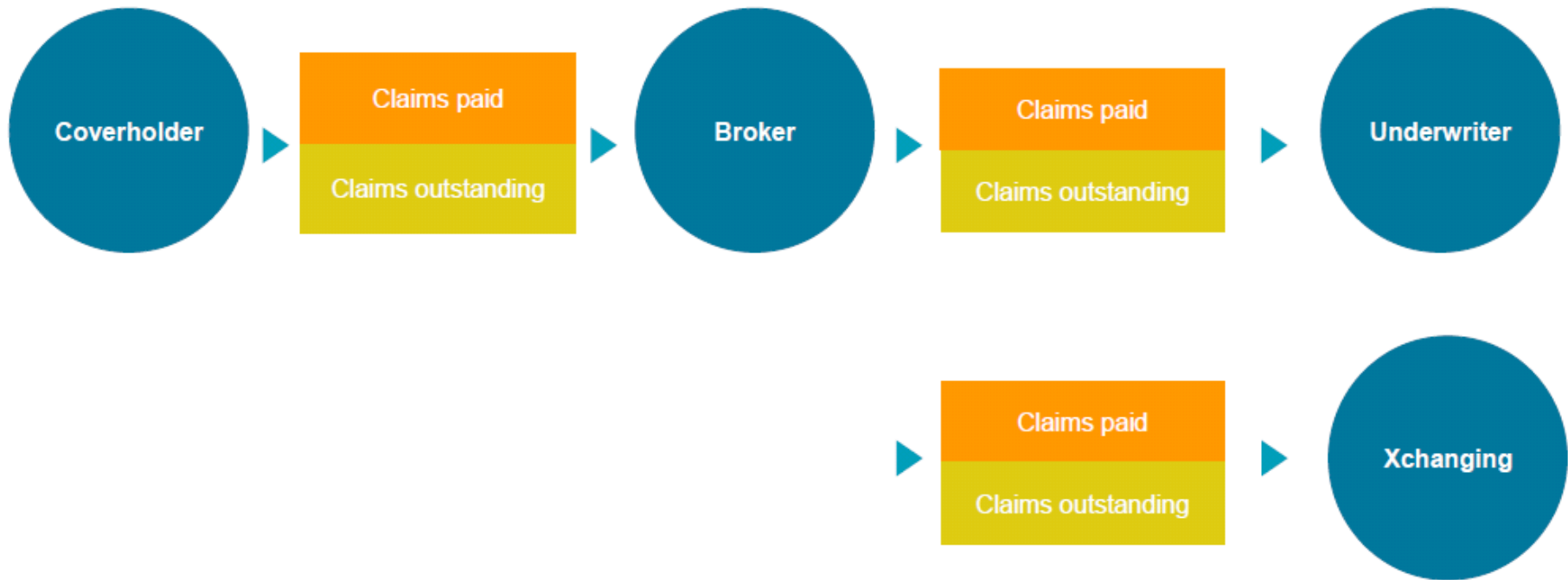


Coverholder reporting standards

- Lloyd's standard spreadsheet template for premiums and claims
 - ** see Lloyd's website **
- ACORD has completed XML standards for both premiums and claims
- Webinar already broadcast regarding premiums
- And this Webinar is focused on claims

Why important area to address

- Coverholder business is significant part of Lloyd's business
 - From USA (surplus lines market)
 - From UK / elsewhere (all types of risks)
 - For reporting premium transactions
 - Carrier review
 - Lloyd's receives data for regulatory returns they make on behalf of syndicates back to countries of origin
- London one of the biggest USA surplus lines carriers
- Data standardization

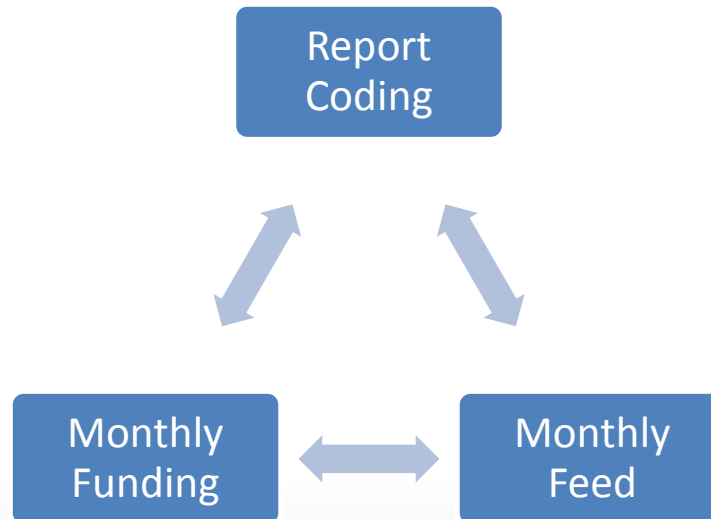


- Claim process

- Coverholder or TPA reports claims to broker
- Broker sends this to Xchanging (3rd party provider) and carrier/s
- Xchanging provides information to Lloyd's for regulatory reporting

Requirements for Claims Reporting

- Most USA surplus lines carriers receive a direct feed – daily, monthly, weekly
- Funding comes in for monthly total
 - So its simple for USA – payment of total amount in 15 days
 - Harder for London where pay later and split by year a/c
- Data requirements have become more detailed (feedback into u/w process)
- Data formats required by carriers all different layouts



Benefits of Lloyd's Standard from a TPA Perspective

(will a standard help?)



- Shorten collection times for various bordereau
- Uniformity for auditing purposes
- Improve burdensome processes that are already in place due to lack of one standard

Current Process

- Uses a Excel Spreadsheet
- MGA's, etc. use this as the basis for their monthly reporting
- Lloyd's provides the 'specifications' on their web-site

Binding Authority Claims Bordereau

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<http://www.lloyds.com/the-market/i-am-a/delegated-authority/operations/reporting-standards>



Overview of Enhancements

- ACORD XML V1.x message design
- Large market penetration in US and Canada for property and casualty reinsurance
- Utilization of preexisting XML message design and data constructs
 - Notification (Notify) – TPA/MGA/GA to carrier for activity which has occurred

Design Equivalent XML V1.x Message Sets

- Within AccountingSvcRq and AccountingSvcRs services
 - BindingAuthorityClaimTransactionReportNotify
 - Replaces Excel Spreadsheet
 - Contains header and each line item
 - Starting point for future real time processing
 - BindingAuthorityClaimTransactionReportNotifyRs
 - Acknowledges receipt of Notify message
 - Does not imply validation of report

Message Design

- Based on Lloyd's Spreadsheet
- Uses XML Constructs

Basis for design – Lloyd's spreadsheet standard

Lloyds_Premium_Reporting_Template[1].xls [Compatibility Mode] - Microsoft Excel

File Home Insert CoSign Page Layout Formulas Data Review View Add-Ins

Paste Clipboard Font Alignment Number Styles Cells Editing

BD4

| HEADER FIELDS | | | | | | | | | | | TRANSACTIONS | | | | |
|---|-----------------|--|--------------|-----------------------------|-----------------------------|------------|--|----------------------|---|-------------------------|-------------------------------------|--------|-----------------|-----------------------|-------------------------------------|
| Coverholder | | Binder Reference, at least one to be shown | | | Reporting Period | | Class of Business at least one to be shown | | | Type | Lloyd's Ref | | Ref | Insured, or Reinsured | |
| Coverholder Name | Coverholder PIN | Unique Market Reference (UMR) | Agreement No | Reporting Period Start Date | Reporting Period (End Date) | Section No | Class of Business | Risk Code (see list) | Type of Insurance (Direct or Type or Reinsurance) | London Broker Reference | Year of Account | ROW NO | Certificate Ref | First Name | Full Name Last Name or Company Name |
| Insert rows below first row to copy across drop down lists of codes | | | | | | | | | | | Insert rows below first row to copy | | | | |
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Improved Implementation Docs

- Transaction Specification
- Transaction Examples
- Transaction Schema
- Mapping Spreadsheet

How to Get Started

- Download P&C XML Standard
- Download Transaction Specs
- Obtain buy-in from Trading Partners
- Create proto-type XML
- Compare with statement/spreadsheet
- Transmit test XML

<http://www.acord.org/standards/downloads/Pages/PCSMember1.aspx>

For questions or more information ...

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