

Real Time Revolution

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+ Agents Council for Technology is a partnership of independent agents, companies, technology vendors, user groups, and associations dedicated to enhancing the use of technology and improved work flows within the Independent Agency System.

+ A white-paper was developed to define the concept of real-time, describe where we are today, and explore what the future holds.

+ The industry has set in motion great momentum in developing real-time interfaces between agents, agency management systems, carriers.

+ “Real-time,” supplies current information to the agent’s desktop. This assists the agent in providing better customer service tailored to each customer’s needs, saves steps in workflows, eliminates backlog, and results in more sales.

+ The real-time request typically is a quote, service inquiry, policy view, request for information, or billing query. The electronic response back to the user can be in the form of a message, direct access to the requested information, or the initiation of an online process.

+ The long-term goal of real-time interface is that the entire business process – in response to the request – be completed *immediately*. Currently, some transactions require additional processing by the carrier’s systems before they are truly complete; others require a batch download of data into the agent’s system overnight before the agency system reflects the transaction.

+ Agent-carrier real-time interfaces are blossoming. The number of real-time inquiries and transactions are increasing by as much as 30% a month; and it took real-time only one year to reach an activity level that the traditional batch model needed 17 years to achieve. Carriers are each making incremental improvements that continue to move us toward the most efficient agency workflows.

+ Real-time “processes” are in their infancy. But it’s already clear that real-time is changing the industry, and if agents and carriers continue to adopt it, there will be a complete transformation.

+ The benefits of real-time already are abounding. Consumers are receiving better customer service and are benefiting from immediate answers from their carriers and insurance agents. Independent agents are able to reduce billing errors, save time, shorten training efforts, reduce mailing costs and file space, and sell more policies. Managing general agents (MGAs) will receive complete, legible submissions, rather than handwritten faxes with missing information. Carriers will have billing, claims, and policy inquiries automatically handled, and they can easily transfer books of business from other carriers electronically.

+ The real-time revolution is likely to impact future insurance communications, database sharing, and processing. Some highlights include:

- The opportunity for all players in the insurance process to simultaneously keep others informed about the status of events;
- Agencies would be able to keep their Web site and agency management system information up-to-date for customer inquiries;
- Agents would be able to pull information from third-party computers and then make use of it to enhance agency efficiency in a multitude of ways; and
- The potential to improve virtually every aspect of insurance processing.

+ Our industry has made good progress with real-time functionality in the past few years, and the pipeline of new carriers and expanded transactions in development for a 2004 roll-out is truly exciting. However, the momentum needs to continue to build, because real-time is critical to the competitive positioning of our distribution system. It is crucial for agencies, carriers and vendors alike to embrace this revolution and continue to work together to implement it.

+ Phase 2 of the Real-time work group has just begun and is a joint effort by ACT/AUGIE(ACORD) to identify the next real-time priorities for industry emphasis and implementation.