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INSIDE THIS MONTH –

How's this for currency? – the current position on handling multi currencies; the latest on queries and how we improve; processes and procedures; and where we are on the change requests. Plus news on the September Release.



CURRENCY ISSUE – PROCESS, PROCESS, PROCESS...



IN THE JULY EDITION, we said we could come back to you about currencies, when investigation into the issue reported had been carried out...and that is what we are doing.

An issue was raised that identified many multi-currency claims had differing currencies from transaction to transaction, resulting in discrepancies and duplication for all parties involved in the process, be it a broker, carrier, TPA or service provider.

Below we have set out the process and steps that need to take place to ensure that currencies are validated and accurate from transaction to transaction. This will help those of you who deal with multi-currency claims via CLASS and ECF/2.

As advised within the ECF SP&P (extract below), currencies are to follow through the lifecycle of the claim once initially advised. Each currency being updated with the accurate position from transaction to transaction.

"All subsequent transactions must contain that settlement currency even if the financial position of that currency is now Nil. E.g. If the settlement currency is initially advised in USD on the first transaction, but subsequently changes to say GBP on a later transaction, the later transactions must carry a nil position for the USD currency and the correct amount for the GBP currency. Once a currency is advised on a UCR

the SCM generated will hold the currencies advised until closed. Closure of the claim will not close all currencies advised on the UCR, only the currencies updated with financials and qualifier codes will be part of processing which will in turn be part of the SCM generated for each MA".

Investigations carried out can confirm the following;

- that any advice transaction raised by a broker will allow the previous advised currencies to be edited or removed
- that a settlement transaction that follow a previous settlement transaction will NOT allow the previously advised currencies to be edited or removed
- if a settlement transaction includes more than one currency and one of these currencies has a nil qualifier, this currency will only remain on the next TR if a settlement is raised
- in the event that the subsequent transaction is an advice the currency with the nil qualifier will NOT remain.

EXAMPLE;

TR1 Advice – currencies GBP and USD

TR2 Advice – currencies are updated to GBP, EUR and USD

TR3 Settlement – currencies collected GBP and USD

TR4 Settlement – currencies remain GBP and USD. Financial settlement occurs on USD. GBP currency not being settled and has no reserve, the

outstanding qualifier is set to NIL.

TR5 Advice inc closure – Only the USD settled currency remains and is updated with a CLOSED qualifier. GBP does not remain.

A Lloyd's carrier's internal view of this claim would display three currencies - GBP, EUR and USD - with settlement and closure recorded for USD and the claim being closed,. However, the GBP and EUR currencies remain open. At this point the only way to rectify this is for the broker to add a further transaction advising that GBP and EUR currencies are closed, although the transaction will be raised on what is deemed a closed claim, however it is required to tidy up the record and the submissions made throughout the claim and UCR's lifecycle.

From advice to settlement or settlement to advice, the currencies advised may not remain as an advice allows currencies to be edited or removed. Brokers dealing with multi-currency claims via batch or on-line CLASS should make themselves aware of the above to ensure the currencies advised remain throughout the lifecycle of a claim. Carriers should also ensure that the currencies advised remain throughout.

Let's all help cut the duplication on these multi-currency claims and improve the accuracy of the claim advised, the data and MI and reporting for statics. ■

WHERE ARE WE ON THE ROAD MAP FOR STRATEGIC CHANGE...?



WRITE-BACK

A number of market & software provider workshops have been held throughout July, August and September. Feedback and requirements from these workshops have given an indication of what Write-back means to the business at a granular level. Starting with how carriers receive enriched claims data faster (upon notification of a transaction) to receiving supporting claim documentation and ending with the ability to write-back your response and submit relating documents to ECF2/IMR from your internal system.

Business Requirement and Functional Specification documents are under market review. The proposed solutions and options are being discussed with the working group and ECFUG. Recommendations

and market support to move to the build and design phase will be required during September and October. The next ECF newsletter will provide more detail, in the meantime if you want to register your interest in write-back and find out more please contact Lee.Elliston@LMAloyds.com

BINDER SOLUTION

Workshops held throughout July, August and September have allowed requirements from both brokers and carriers to be fed back on the following elements of binders;

- Co-lead (above authority claims)
- Multi currency OSNDs
- Electronic rubber banding, layering and the relationships between UCRs

These are the elements of binders which would increase scope for ECF

and reduce the amount of paper files in the binder class. The requirements gathered enhance the processing and servicing from both a broker and carrier perspective. Business Requirement and Functional Requirement documents are close to sign off. The proposed solution and break down of the above components will require market review and recommendation during September and October.

GAP ANALYSIS

Workshops have been held to understand the gaps between CLASS /ECF & ECF2 and how this functionality will increase ECF2 usage and benefit the market. These gaps have been prioritised by the working group which will allow change requests to be put forward to the ECFUG for consideration with a view to implementing throughout 2015.

QUERIES.....

HOW DO WE IMPROVE?



CAST YOUR MINDS BACK to the March edition of the ECF newsletter which included an article about queried ECF transactions. This article looked at when a query should be raised, whether the query action within ECF is mis-used and what the involved parties can do...

Has the action and decision to query a claim been mis-used since the Lloyd's response became electronic and delivered to the broker by CLASS or the IMR?

And do we need to take more responsibility for claim queries in ECF?

The market and impacted parties whether a broker, carrier or third party certainly seem to think so. Queried transactions remain a priority to many, with brokers and carriers kicking off their own initiatives to reduce the volume of queried transactions and attempt to work together to make progress on a subject that feels a bit like a dripping tap. As quick as you have cleared the puddle the bigger it seems to get on your next glance.....the only

way to fix it is at the source, making the changes required!

The market is working together to help move this issue forward and ensure that you do not feel like you're sinking in queried data or volumes that are just not reducing. A sub group of the ECF Best Practice Group has been put in place to discuss and make recommendations on the:

- query process
- query functionality and requirements.
- training and behaviour of parties raising and dealing with queries.

The goal?

- to reduce the lifecycle of a queried claim
- to reduce the volume of queried transactions that remain outstanding.
- to improve the query process for all parties involved
- improve London market service.

The sub group is made up of brokers, carriers and TPAs, all of which are working together to raise common issues that occur in the query process and agree the best way forward. After

all, a query affects many parties, but more than anything it can affect the service received by the client and create a perception of a broker, carrier and the London market.

The topic of queries has the joint support of so many parties, moving forward the way the market deals with queries could benefit many. The recommendations of the sub group are due later this year. It would be great to think that this newsletter can report some changes in this area in the future. Watch this space...

If you would like to feedback any common issues or provide requirements and ideas whether relating to the process, functionality or training and behaviour when dealing with a query in ECF please email; ecffocusgroup@LMALloyds.com

SP&P UPDATE

A NEW VERSION of the Lloyd's ECF SP&P has been released and is now available at all good book shops!!.....well maybe not, but it is available via the ECF website <http://www.ecfinfo.eu/how-to/sp-p/> along with supporting carrier and broker guides for Lloyd's, IUA and ILU <http://www.ecfinfo.eu/howto/guidelines-tips/>. So what is the difference and why do you need to read it.....?

The SP&P has been condensed to make a smaller referral document with up to date links, documents and content. It was felt that a refresh of the document was required, particularly after the implementation of CTP Legacy, Volume Claim Service, Paper Legacy and Scanning Process and

ECF2 functionality changes that have occurred over the past 18 months.

It is also always useful to refer to the moving parts of the functionality an process and understand what it has to offer - particularly at a time when the market is moving forward and functionality and processes you didn't need to refer to previously may now be relevant for handling claims and servicing your client.

The SP&P is your one stop shop to understand the ECF process at a high level. The document also answers questions and provides content on best practice and any nuances that are in-scope for ECF, but require agreed processes to be followed. The SP&P is no longer a step by step

user guide, any detail on the components of ECF2 or linked processes and projects are referred and linked to within the SP&P.

The carrier and broker guides contain hints and tips, as well as frequently asked questions which can be used to remind people of process, as a referral tool or a training aide.

This is the biggest review of the SP&P since it was produced and has provided many involved with some interesting night time reading!!!

Thanks to Tim Lovick (Lloyd's), Barry Le Page (Aon Benfield), Katherine Fraser (Talbot), Conrad Gilborn (Swiss Re), Bernard Rice (Markel) and Keith Root (JLT) for their time and effort. ■

OTHER NEWS



DOCUMENT CLASSIFICATION WITHIN THE IMR...

FIXED AND TO BECOME MORE USEFUL IN THE WORLD OF CTP...

MORE WELCOME NEWS on the functionality front. The issue surrounding the customisation and classification of documents within the IMR is resolved as part of the 20 / 21 September release.

This functionality allows a user loading a document to the IMR (whether a broker, carrier or TPA) to classify the document, allowing certain organisations linked to

the policy and relating UCR to have restrictions set. These restrictions stop a document from being accessed which can be helpful in varying claim scenarios.

The link below provides screen shots and instructions to help you understand the functionality and how to use.

<http://www.ecfinfo.eu/how-to/guidelines-tips/> ■

MULTI SESSIONS FOR ECF2....

THE MULTI-SESSION fix is coming for ECF2. Market acceptance testing has been carried out and signed off which means from 22nd September an ECF2 user will be able to work in more than one session securely. Some ECF2 users experienced the issue of working in dual claim agreement screens (CAS) which resulted in data being transposed from one UCR to another.

Multi CAS sessions will now be able to be opened and locked out independently, improving the working practices of each claim adjuster in ECF2, particularly when reviewing claims with a relationship i.e those with layers or parallel UCRs. The identical issue within ECF has been investigated but has yet to be scheduled for resolution. ■

IMR HOMEPAGE RE-DESIGN

THE IMR HOMEPAGE has been re-designed and will form part of the September release, available to all users from the 22nd September. The look and feel of the IMR homepage is not dis-similar but it now provides refreshed content, quick links to useful sites and documents that relate to IMR/ ECF and ECF2.

Main features of the homepage are;

- Live news of any system and performance issues affecting IMR, ECF and ECF2.
- A quick-link to the ECF Website which is your one stop shop

for ECF guidance, hints & tips, news and documents.

- A quick-link to Xchanging's document store which holds IMR, ECF and ECF2 user guides and functional specs.
- General ECF related news and communications.
- News of upcoming releases and the relating market bulletins.

Save the link below as a favourite and benefit from the information and content provided on both the Xchanging's IMR homepage and the markets ECF website.

<https://repository.xchanging.com/workstemp/index.jsp> ■

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