



POLARIS U.K. LIMITED

Overrides using ProductWriter

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1. Background

Many of the software house (SWH) applications allow brokers to override premium, endorsements and excesses but not all have the ability to validate these overrides. The absence of validation ultimately means that a broker can update any part of an insurer quotation and send the details by EDI without the nature of the update being clear.

Additionally, the insurer may have no idea what an override relates to or whether it has been authorised. This is because the data entered by a broker into the AUTH (authorisation code) element of standard EDI messages is a text field and doesn't necessarily have any meaning unless all the data received is manually checked. A requirement for a mechanism of validating overrides has therefore arisen to supplement the existing manual override process available within ProductWriter.

The following process achieves validation of overrides through the use of ProductWriter. It is one possible implementation of the requirements stated in the "Electronic Trading Protocols" document (31133) but does not preclude other implementations provided that they follow the requirements stated in that document.

2. Scope

The required scope of use of ProductWriter for overrides was agreed to be personal lines at the current time. Discussions have taken place with commercial lines underwriters which identified that their requirements are different in that commercial overrides are performed by the insurer and a new quotation requested by the broker.

The types of overrides to be catered for within the process are:

- * Premium
- * Excesses
- * Endorsements

It was agreed that the solution be implemented for New Business and trialled with MTAs for the time being. The MTA process can be reviewed after a period of time based on experience.

The requirement to validate back dating and software house system updates is NOT included within the ProductWriter override process.

3. ProductWriter Override Process

The tables below detail two main process paths for ProductWriter overrides, Scheme and manually derived overrides. A further table highlights where alternative steps can be used to replace parts of the main process paths where required.

3.1 Scheme Overrides

Main Process Path 1 – Scheme overrides							
1.1	A broker enters data for a quotation						
1.2	SWH runs the RTE to get all insurer quotes						
1.3	The insurer Scheme outputs the premium						
1.4	The broker selects the quotes he is interested in						
1.5	The SWH runs the RTE to get the full details of the quotation						
1.6	<p>An insurer Scheme outputs the quotation including the Endorsement, Excess and Premium Quote breakdown. The Scheme can also output the following to indicate it is capable of handling overrides:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 40px;">[Processing Indicators][Endorsement Overrides Ind]</td> <td style="text-align: right;">Yes/No</td> </tr> <tr> <td style="padding-left: 40px;">[Processing Indicators][Excesses Overrides Ind]</td> <td style="text-align: right;">Yes/No</td> </tr> <tr> <td style="padding-left: 40px;">[Processing Indicators][Premium Overrides Ind]</td> <td style="text-align: right;">Yes/No</td> </tr> </table> <p>The [Processing Indicators] object will also include a ProductWriter produced override request code, [Insurer Override Code], hidden from the brokers' view unless he wishes to take advantage of the override offer</p>	[Processing Indicators][Endorsement Overrides Ind]	Yes/No	[Processing Indicators][Excesses Overrides Ind]	Yes/No	[Processing Indicators][Premium Overrides Ind]	Yes/No
[Processing Indicators][Endorsement Overrides Ind]	Yes/No						
[Processing Indicators][Excesses Overrides Ind]	Yes/No						
[Processing Indicators][Premium Overrides Ind]	Yes/No						
1.7	The broker requests the ability to override the quotation on the SWH system						
1.8	If the processing indicators are set to Yes the [Insurer Override Code] generated by the Scheme will then be displayed						
1.9	The broker calls the insurer with the [Insurer Override Code], provides details of the quotation and requests an override authorisation reference						
1.10	<p>Insurers have a set of possible overrides which have references allocated to them. The insurer requotes the risk but refers to the exact override terms agreed.</p> <p>The insurer override reference is run against an algorithm routine to give the insurer an additional number to form the authorisation reference which he confirms to the broker along with details of the override</p>						
1.11	The broker enters the supplied authorisation reference into [Policy][Quote Authorisation Ref] and if applicable completes [Policy][Quote Author Name]						
1.12	SWH runs the RTE again using the [Processing Indicators][Process Type] value of 'Override'						
1.13	The insurer Scheme will use the input [Quote Authorisation Ref] to validate the override using the same insurer algorithm that generated the number which has been built into the Scheme rules						
1.14	Rules in the insurer Scheme will use [Quote Authorisation Ref] to identify which fields are to be overridden ready for output						
1.15	The Scheme outputs a new quotation including the override details						
1.16	If the new quotation is acceptable to the broker the SWH runs the RTE again to convert to new business						
1.17	To forward to the insurer as an EDI message the override authorisation code provided by the insurer will be sent in the PLH_AUTH1 sub-element. Optionally details of the insurer representative that authorised the override may be sent in which case details should be provide in PLH_AUTH2						

(Main Process Path 1 ends)

3.2 Manual Overrides

Main Process Path 2 – Manual override processing							
2.1	A broker enters data for a quotation						
2.2	SWH runs the RTE to get all insurer quotes						
2.3	The insurer Scheme outputs the premium						
2.4	The broker selects the quotes he is interested in						
2.5	The SWH runs the RTE to get the full details of the quotation						
2.6	<p>An insurer Scheme outputs the quotation including the Endorsement, Excess and Premium Quote breakdown. The Scheme can also output the following to indicate it is capable of handling overrides:</p> <table border="0" style="margin-left: 40px;"> <tr> <td>[Processing Indicators][Manual Endorsement Overrides Ind]</td> <td style="text-align: right;">Yes/No</td> </tr> <tr> <td>[Processing Indicators][Manual Excesses Overrides Ind]</td> <td style="text-align: right;">Yes/No</td> </tr> <tr> <td>[Processing Indicators][Manual Premium Overrides Ind]</td> <td style="text-align: right;">Yes/No</td> </tr> </table> <p>The [Processing Indicators] object will also include a ProductWriter produced override request code, [Insurer Override Code], hidden from the brokers' view unless he wishes to take advantage of the override offer</p>	[Processing Indicators][Manual Endorsement Overrides Ind]	Yes/No	[Processing Indicators][Manual Excesses Overrides Ind]	Yes/No	[Processing Indicators][Manual Premium Overrides Ind]	Yes/No
[Processing Indicators][Manual Endorsement Overrides Ind]	Yes/No						
[Processing Indicators][Manual Excesses Overrides Ind]	Yes/No						
[Processing Indicators][Manual Premium Overrides Ind]	Yes/No						
2.7	The broker requests the ability to override the quotation on the SWH system						
2.8	If the processing indicators are set to Yes the [Insurer Override Code] generated by the Scheme will then be displayed						
2.9	The broker calls the insurer with the [Insurer Override Code], provides details of the quotation and requests an override authorisation reference						
2.10	<p>Insurers have a set of possible overrides which have references allocated to them. The insurer requotes the risk but refers to the exact override terms agreed.</p> <p>The insurer override reference is run against an algorithm routine to give the insurer an additional number to form the authorisation reference which he confirms to the broker along with details of the override</p>						
2.11	The broker enters the supplied override authorisation reference into [Policy][Quote Authorisation Ref] and if applicable completes [Policy][Quote Author Name]						
2.12	<p>The broker enters the overridden data into the appropriate input fields for the type of override(s) agreed. Details of available fields can be found later in this document but are located in the following dictionary properties -</p> <ul style="list-style-type: none"> • [Calculated Result] • [Endorsement –Result] • [Excess Breakdown - Result] 						
2.13	SWH runs the RTE again using the [Processing Indicators][Process Type] value of 'Override'						
2.14	The insurer Scheme will use the input [Quote Authorisation Ref] to validate the override using the same insurer algorithm that generated the number which has been built into the Scheme rules						
2.15	<p>Rules in the insurer Scheme will use the input data in the override properties to replace the standard Scheme outputs.</p> <p>If required, the insurer Scheme rules can validate the input data to ensure the details entered by the broker are within acceptable constraints</p>						

2.16	The Scheme outputs a new quotation including the override details
2.17	If the new quotation is acceptable to the broker the SWH runs the RTE again to convert to new business
2.18	To forward to the insurer as an EDI message the override authorisation reference provided by the insurer will be sent in the PLH_AUTH1 sub-element. Optionally details of the insurer representative that authorised the override may be sent in which case details should be provide in PLH_AUTH2
(Main Process Path 2 ends)	

3.3 Alternative Steps

Alternative Steps 1 – Override not allowed	
(Replaces Main Process Path steps 1.8 or 2.8)	
8.1	If the Processing Indicators do not allow overrides. An appropriate message will be displayed by the SWH system
8.2	Broker will need to contact the insurer to resolve and obtain further instructions
(Go to end of Process Path)	
Alternative Steps 2 – Insurer authorisation not required	
(Replaces Main Process Path, step 1.9 or 2.9)	
9.1	The broker enters the overridden data into the appropriate input fields for the type of override(s) agreed. Details of available fields can be found later in this document but are located in the following dictionary properties - <ul style="list-style-type: none"> • [Calculated Result] (See Section 4.1) • [Endorsement –Result] (See Section 4.2) • [Excess Breakdown - Result] (See Section 4.3)
9.2	SWH runs the RTE again using the [Processing Indicators][Process Type] value of ‘Override’
9.3	Rules in the insurer Scheme will use the input data in the override properties to replace the standard Scheme outputs. If required, the insurer Scheme rules can validate the input data to ensure the details entered by the broker are within acceptable constraints
9.4	The Scheme outputs a new quotation including the override details
9.5	If acceptable to the broker the SWH runs the RTE again to convert to new business
9.6	The EDI message can be provided to the insurer without needing to send any information in the PLH_AUTH1 sub-element
(Go to end of Process Path)	
Alternative Steps 3 – Using pre-supplied insurer override codes	
(Replaces Main Process Path, step 1.10 or 2.10)	
10.1	An insurer not wishing to authorise each override individually provides in advance a set of override authorisation references to the broker defining the exact nature of an override that may be used
(Return to Main Process Path step 1.11 or 2.11 to continue)	
Alternative Steps 4 – Scheme validation fails	
(Replaces Main Process Path, step 1.13 or 2.14)	
13.1	The insurer Scheme outputs a message indicating it is unable to validate the input override authorisation reference. An appropriate message will be displayed
13.2	Broker will need to contact the insurer to resolve and obtain further instructions
(Go to end of Process Path)	

4. Defining Overrides in insurer Schemes

The ProductWriter Scheme rules written by the insurer will be required to handle either a Scheme derived override, a manual override or both as agreed with the broker and SWH. The Scheme will set the appropriate output override indicators in the [Processing Indicators] object so a SWH can enable override processing for the broker within their system.

An insurer Scheme will be responsible for validating the override authorisation reference provided by the insurer to the broker using the same algorithm used by the insurer to create the reference in the first place. If the validation of the authorisation reference fails the Scheme will need to send a suitable output to the SWH system for display to the broker.

A Scheme derived override is when the insurer Scheme contains rules to determine the outputs for the override. The broker will be provided with the appropriate reference which can be combined with the insurers' authorisation reference if required. The broker must input the reference using property [Policy][Quote Authorisation Ref].

The manually derived override uses broker completed input properties containing the specific override details. More information on inputting this data for different types of override can be found below.

4.1 Premiums

If the [Premium Override Ind] or [Manual Premium Override Ind] properties have been set to Yes the SWH will allow the broker access to the override fields.

The manual override process for premium overrides will continue to use the override properties in the [Calculated Result] object in Private Motor and Household dictionaries. The properties available are detailed below:

Property	Used in Private Motor	Used in Household
Override Amt excl IPT	Yes	No
Override Amount excl IPT	No	Yes
Override Amt incl IPT	Yes	No
Override Amount incl IPT	No	Yes
Override Pct	Yes	No
Override Premium Incl IPT	Yes	Yes
Override Pct excl IPT	No	Yes
Override Pct incl IPT	No	Yes

As part of the control of the premium override process, the SWH system must ensure that the new values for the [Calculated Result][Premium excl IPT] and [Premium incl IPT], any calculated VAT and brokerage commissions are mathematically correct.

The insurer Scheme rules will interrogate the newly populated override properties and can optionally validate the inputs against pre determined criteria.

A Scheme driven override could determine the override premium from the Scheme rules based on the input [Policy][Quote Authorisation Ref] provided by the insurer.

Where a minimum premium is indicated the overridden amount must not fall below this figure. The minimum premium is output in Private Motor within [Product][Minimum Annual

Premium] or in Household each Cover section QB object contains an output property of [Reason Code] with a value of 'Minimum Premium'. This check can either be performed by the Scheme rules or by agreement between the SWH and the insurer.

Following the override the Scheme will repopulate the appropriate [Calculated Result] object accordingly. The revised figures must be available to show on the SWH system screen and any documents produced for the broker (if required).

Override processing for price matching purposes can be handled using the defined mechanism. The broker would contact the insurer to obtain the authorisation reference and input the new premium in the override properties. When the SWH runs the RTE again the rules will validate the new premium amount against the original premium to ensure the difference is within acceptable limits.

For Household risks, the Scheme rules will need to cater for the number of discreet Cover sections. The agreed approach is to write rules which 'ripple' the premium override through the Cover sections as appropriate.

4.2 Endorsements

If the [Endorsement Override Ind] or [Manual Endorsements Override Ind] properties have been set to Yes the SWH will allow the broker access to the override fields.

For manual overrides this includes specific endorsement override input fields including [Endorsement – Result][Text 1 - Override], [Text 2 – Override] etc. The new endorsement details agreed with the insurer will be passed as inputs to the Scheme using these properties. See [Appendix A](#) for details of available endorsement override properties.

Endorsements are text fields so are more difficult to validate. One possibility is if the validation is performed by text groups to make sure the details entered are as held on ProductWriter. Text groups allow users to create groups on dictionary or user defined text properties which contain pre-defined text values.

If an additional endorsement is required the SWH will enable a generation of a new [Endorsement – Result] object instance for the broker to complete. When the input endorsement information is interrogated by the rules an additional output [Endorsement – Result] object will be generated.

If an Endorsement is to be deleted the broker will enter 'Removed' into the text field. The rules can interrogate the text field for the 'Removed' text if the insurer chooses to replace this with something more specific to the insurer. The deleted Endorsement will still appear in the broker view with either the 'Removed' text or the insurer specific wording.

4.3 Excesses

If the [Excess Override Ind] or [Manual Excess Override Ind] properties have been set to Yes the SWH will allow the broker access to the override fields. The process for excess overrides will work in the same way as endorsements but using the [Excess Breakdown – Result] object in the Private Motor dictionary or the [Excess Quote Breakdown – Result] object in the Household dictionary. See [Appendix B](#) for available excess override properties.

If an excess is to be deleted the insurer will instruct the broker to override with a '0' (zero). This will appear in the broker view.

5. Appendix A – Endorsement Override Properties

Property Name	Description Of Change
Alpha Code - Override	This property allows for the use of Alphanumeric codes for Endorsements. An input property for use in overrides. Only used in Private Motor dictionary.
Code – Override	Identifies the reason for the endorsement. The value may have been set up originally from either an insurer specific code or by selection of a Listed Code value. An input property for use in overrides.
Code Number – Override	A Code number associated with a code principally for the purposes of allowing variations to premium/terms to be applied for direct and telemarketing outlets without amendment to schemes. An input property for use in overrides.
Cover Code - Override	A Code value that identifies which cover section the endorsement applies and also as a qualifier for item PRN property if set. An input property for use in overrides. Only used in Household dictionary.
Date 1 – Override	Date variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Date 2 – Override	Date variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Date 3 – Override	Date variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Date 4 – Override	Date variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Date 5 – Override	Date variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Driver PRN – Override	The permanent reference number used to uniquely identify the driver to which this set of data applies. An input property for use in overrides. Only used in Private Motor dictionary.
Full Wording – Override	The full endorsement wording, including variable data set by the integrated system via a text file produced by the insurer. This property provides for the MTA industry standard terms generation comparison process. An input property for use in overrides.
Item PRN - Override	The permanent reference number of the item to which this data applies. To be used in conjunction with the properties Cover Code and PRN to indicate which section and instance the item PRN property refers. An input property for use in overrides. Only used in Household dictionary.
PRN - Override	The permanent reference number to which this set of data applies. To be used in conjunction with the property cover code to indicate which section/object this permanent reference number refers. An input property for use in overrides. Only used in Household dictionary.
Object – Override	Contains the code value for the object that generated the endorsement. An input property for use in overrides. Only used in Private Motor dictionary.
Short Wording – Override	The abbreviated wording of the endorsement for display on screens or forms. Derived from a .txt file produced by the insurer. An input property for use in overrides. Only used in Private Motor dictionary.
Text 1 – Override	Text variable which can be set to a text string or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Text 2 – Override	Text variable which can be set to a text string or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Text 3 – Override	Text variable which can be set to a text string or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Text 4 – Override	Text variable which can be set to a text string or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Text 5 – Override	Text variable which can be set to a text string or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Title – Override	A textual description of the reason for the endorsement. An input property for

Property Name	Description Of Change
	use in overrides.
Type – Override	Contains the Code Value of the selected type of endorsement. An input property for use in overrides.
Value 1 – Override	Numeric variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Value 2 – Override	Numeric variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Value 3 – Override	Numeric variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Value 4 – Override	Numeric variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Value 5 – Override	Numeric variable which can be set to a value or a data item to allow embedding of the value within the endorsement text. An input property for use in overrides.
Vehicle PRN - Override	The permanent reference number that uniquely identifies the Vehicle to which this set of data applies. An input property for use in overrides. Only used in Private Motor dictionary.

6. Appendix B – Excess Override Properties

Property Name	Description Of Change
Amount - Override	A contractual value that shows, in the event of a loss, that part of the claim value which will be borne by the policy holder. An input property for use in overrides.
Code - Override	Uniquely identifies the excess being applied. The code value will be insurer specific. An input property for use in overrides.
Cover Code - Override	A code value that identifies which cover section the endorsement applies and also as a qualifier for the item PRN property if set. An input property for use in overrides. Only used in Household dictionary.
Description - Override	A textual explanation of the constraints applied to an area of Cover by the excess. An input property for use in overrides.
Driver PRN - Override	The permanent reference number used to uniquely identify the driver to which this set of data applies. An input property for use in overrides. Only used in Private Motor dictionary.
Excess Reason - Override	To identify the reason for the excess. An input property for use in overrides. Only used in Household dictionary.
Item PRN - Override	The permanent reference number of the item that this data applies. To be used in conjunction with the properties Cover Code and PRN to indicate which section and instance the item PRN property refers. An input property for use in overrides. Only used in Household dictionary.
Policy Level Ind - Override	Code value of selected Policy Level Ind value. An input property for use in overrides.
PRN - Override	The permanent reference number to which this set of data applies. To be used in conjunction with the property Cover Code to indicate which section/object this permanent reference number refers. An input property for use in overrides. Only used in Household dictionary.
Reason - Override	Code value of selected reason for application of the excess. An input property for use in overrides. Only used in Private Motor dictionary.
Section Code - Override	Code value of selected section of cover that the excess applies to. An input property for use in overrides. Only used in Private Motor dictionary.
Vehicle PRN - Override	The permanent reference number that uniquely identifies the Vehicle to which this set of data applies. An input property for use in overrides. Only used in Private Motor dictionary.
Xs Type - Override	This denotes whether the excess concerned is voluntary, compulsory etc. An input property for use in overrides. Only used in Household dictionary.

7. Appendix C - Process Flow Diagram

