Ruschlikon
eDeployment Guide
eAccounting & Claims

Version 1.0

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Contents

Introduction

ACORD and Ruschlikon

Faster cash, higher efficiency, better information, enhanced client service – the Ruschlikon Initiative enables leading players of the (re)insurance industry to implement advanced processes for risk placing, technical accounting, claims, and settlement using the ACORD Global Reinsurance and Large Commercial (GRLC) Standards.

Rüschlikon is a small town outside Zürich, Switzerland. Here, a group of pioneering (re)insurers and brokers agreed to a common vision for reducing back office frictional costs and streamlining processes for the (re)insurance sector by implementing global ACORD Data Standards together with an agreed set of business processes and rules. This initiative was named Ruschlikon in honour of its beginning.

ACORD is a not-for-profit standards organisation that has been working with the Global Reinsurance and Large Commercial Insurance industry to create electronic messaging standards since 2001. Today ACORD continues to maintain and publish these "Global Reinsurance and Large Commercial" (GRLC) standards for the industry and has a close working relationship with implementation communities such as Ruschlikon.

Purpose of the document

The aim of the Ruschlikon eDeployment Guide is to inform industry partners of the steps required to prepare for a successful roll out with eMessaging using the ACORD GRLC Data and process standards.

eMessaging – Where to start

Build up your internal business case

Map out your key trading partners and their digital messaging maturity. A reliable, although not exhaustive overview, is provided by the Ruschlikon community through the Ruschlikon Adoption Directory (RAD). On this file, Ruschlikon enabled industry partners provide an overview of their sending and/or receiving message capabilities in production, using the latest ACORD GRLC data and process standards. Most industry partners have indicated contact details to get more detailed information.

Link to Ruschlikon Adoption Directory (RAD)

Prioritise your trading partner(s) connectivity into a roadmap, e.g. identify trading partners with the highest potential. Potential criteria: industry partner already trading eMessages with other parties, high business volumes and/or other criteria.

Collect peer feedback

Ruschlikon case study library

The Ruschlikon community has published various case studies on which industry partners report out on tangible benefits they have seen from their Ruschlikon implementations. The case studies cover different aspects of Ruschlikon implementations, e.g. standardisation, workflow and system integration and respective effects on automation – from a sender or a receiver's perspective.

Representatives from the companies producing the case studies explain why their company opted for Ruschlikon implementations, how they approached it and what steps have been taken. They also openly talk about pitfalls and lessons learnt. Technical pre-requisites, applications used, and solutions found are another useful piece of information. They will serve you well to build up your own business case. The case study owners are always at your disposal for more in depth information sharing.

Link to Case Studies (acord.org) section for documents and recordings.

Regional Implementation groups

Numerous industry partners are represented on the regional implementation groups. They foster the Ruschlikon approach in a local environment and help drive local implementations. By sharing experience within and across the Regional Implementation Groups, implementations can be actively supported by subject matter experts.

Link to list of co-chairs of Regional Implementation groups: Regional Implementation Groups (acord.org)

Understand roadmap and technical capabilities of trading partners

Case study owners, contacts on the Ruschlikon Adoption Directory (RAD), members of the Ruschlikon Regional Implementation groups, your vendor and/or ACORD can provide you with more detailed information.

Understand your current technical capabilities and identify future needs

Whether the Ruschlikon interested business partner is a Broker, Insurer, Cedent, Reinsurer or Co-insurer, there are solutions available to suit any organisation and operational needs, whether that is full integration or using a message management tool (MMT).

There are three main options available to realize the benefits of using the ACORD data standards and Ruschlikon best practice. Each approach brings different benefits, so interested implementing companies should consider the degree of automation their organisation wants to achieve as this will influence the appropriate way forward.

The options are outlined in the document 'Engaging with Ruschlikon – Selecting Technology Options and vendors'.

Speak to your IT department

Understand your company's current internal technical capabilities; (re)insurance administration system, document repositories and workflow solution - inhouse or off-shelf applications.

Map out future needs and perform a gap analysis. Consult the document: 'Engaging with Ruschlikon – Selecting Technology Options and vendors'.

Speak to your vendor

Speak to your vendor(s) to understand how they support eMessaging in line with ACORD GRLC data and processes. First information can be retrieved from the Ruschlikon Adoption Directory (RAD).

Link to Ruschlikon Adoption Directory (RAD).

Kick off training and change management activities

Ruschlikon implementations will lead to process changes (streamlining) that require the technicians to adapt to new ways of working. It is important to engage management and the expert community from an early stage onwards and be aware of hidden resistance among colleagues.

Thorough change management is a critical success factor.

Governance/Procurement

We know that most if not all member companies have their own set of rules for procurement and governance. This is the main reason why the Ruschlikon initiative cannot provide a dedicated set of templates for this purpose.

We would like to encourage you to kick off these internal processes early to ensure that a successful rollout can take place as planned.

Ruschlikon/ACORD GRLC – Message types and process flow

The Ruschlikon community, jointly with ACORD, has produced a package of documents and assets that provide the overall guidance that Ruschlikon members need to follow. The three main documents are:

- ACORD's EBOT Quick Reference Guide – Documents accessible by ACORD members
- ACORD's ECOT Quick Reference Guide – Documents accessible by ACORD members
- Ruschlikon's Best Practice Guide (eAccounting & Claims)

See below for a high-level summary.

ACORD Global Reinsurance and Large Commercial (GRLC) message types

For eAccounting and Claims, there is a set of four basic message types in use. Industry partners are keen to roll out with all message types as most benefits are seen when implementing the full message suite.

TA – Closing details sent automatically as premium or claim entries raised

CM – Notifies receiver of new/updated claim details

Supporting documents accompany message

FA – Advises Tas accepted by the receiver ready for settlement (due to/from receiver)
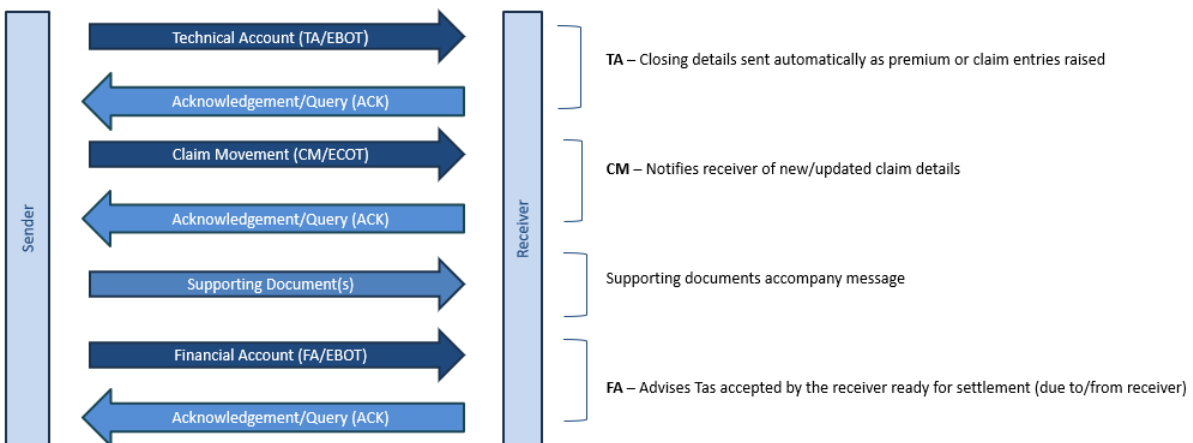
The four basic ACORD message types for eAccounting and Claims

The four basic ACORD message types use for Accounting, Claims and financial handling are as follows:

- **TA/EBOT** (Technical Account – Invoicing – reinsurer's share amounts).
- **CM/ECOT** (Claim Movement – Claim notification – 100% claim amount figures).
- **FA/EBOT** (Financial Account - Settlement).
- **ACK** (Business Acknowledgement and electronic 2-way query message).

Supporting documents are sent to reinsurers by sending links in Document Repository Interface (DRI) messages or as "in-stream" attachments, where documents are embedded into the messages as attachments. Receivers can download copies of documents into their Document Management Systems as required.

Generation of TA (EBOT) and CM (ECOT) messages

Technicians on sender's side follow their internal business process, capturing accounting and claims data in the back-office system. TA and Claim messages are sent to the receivers.

Receiver's gateway automatically acknowledges receipt of messages using a **Post Response** message **(PostRs)**. This takes place prior to validation of the message content by the receiver's business team.

Once the receiver has processed/validated the sender's message, its system will send a **Level3 Technical Acknowledgement** to the sender, to either accept or reject the message.

After review by the receiver's business team, a **Level4 Business Acknowledgement or Query** is transmitted to the sender. When an **L4 Query** is sent, the receiver will respond with an **L4 Query response**. Receiver will need to **L4** accept the original message once the query is resolved to enable to **TA** to be included in an **FA**.

Financial account

An **FA** message is sent to the receiver for all **Level4** agreed **TA** messages that the sender recognizes as payable, e.g. Client funds have been received.

L4Queried TAs and **TAs** remaining in an **L3** status will not be included in **FA** messages. The FA message provides a list of all TA items included in the financial statement.

Separate **FAs** are sent per currency.

FA's may be sent monthly, bi-weekly, weekly or daily. Required frequency is agreed between the sender's and the receiver's business teams as part of the project implementation. Typically, this will align to the statement frequency currently in place via the classic email process.

More detailed and/or technical information can be found in the following bite sized videos.

1. Bite Sized Video 03: EBOT Learning session (TA/FA messages) – Link to recording
2. Bite Sized Video 04: ECOT Learning session (CM/TA messages) – Link to recording
3. Bite Sized Video 05: EBOT Learning session (Financial Account Message) – link will be added once available

High level Ruschlikon/ACORD GRLC process

Ruschlikon committed industry partners agree to a standardized Workflow between sender and receiver. The sender is always in the driving seat for both, triggering technical (TA) and claim (CM) related messages and initiating the settlement process, through the financial handling message (FA).

The receiver is either accepting, querying or, in exceptional circumstances, rejecting the sent messages.

Once accepted, the balances are ready for the financial handling process. It will be triggered by the sender which, once complete, provides the aggregate balance through the FA message to trigger actual settlement.

The timelines indicated in the high-level process are recommendations. They should be mutually agreed between the business partners prior to the implementation phase.

Ruschlikon's Best Practice Guide (eAccounting & Claims)

Process for message exchange between business partners

TA : Technical Accounting, CL : Claims Movement, FA: Financial Accounts (financial settlements) ACKN : Acknowledgement

ACORD 2016-10 Standards
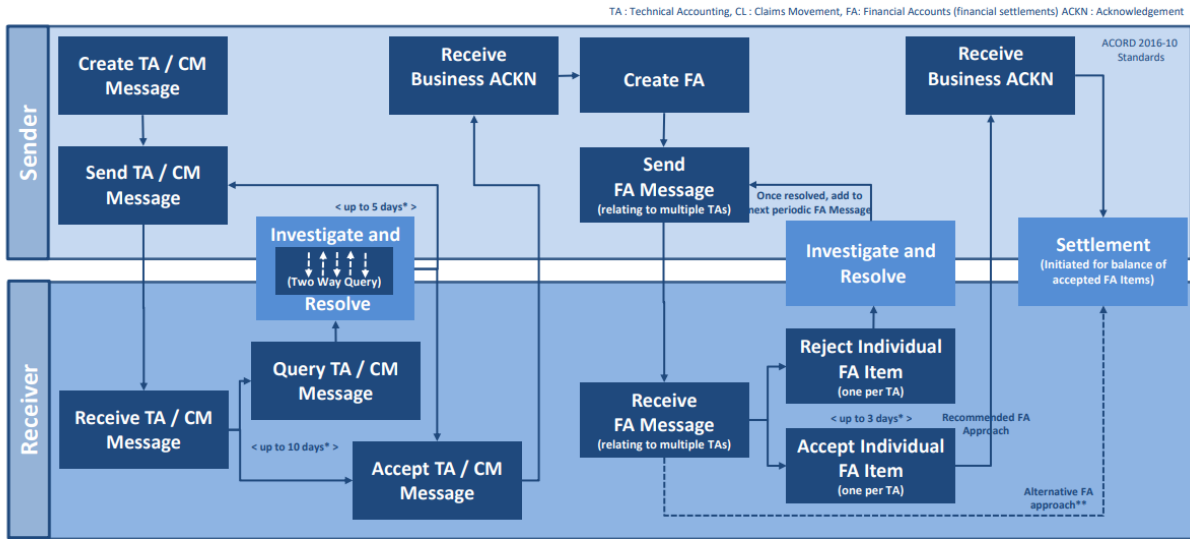
* as per service level agreement amongst the business partners: days = working days
** Organizations should avoid the alternative FA approach unless they can instigate the appropriate controls specified within EBOT

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With the ACORD GRLC 2016.10 standard, responses to the querying of incoming messages have been implemented. It allows messaging partners to get rid of the manual and inefficient clarification process through email exchange to/from individual mailboxes and shift the investigations to a structured and auditable solution. It's concept and beauty is explained in more detail in the document ' The Two Way Query Message'.

Make eMessaging work

Committing to the Ruschlikon best practices

All participants must commit to following the Ruschlikon Global (Re)Insurance Best Practices for Accounting, Claims and Financial handling.

- General guidelines on message standards/types/versions.

- Service level guidelines (Note: Contract Requirements supersede Best Practices).

- ACORD Certification is required, though it is often completed by vendors rather than each of their clients individually.

Ruschlikon's Best Practice Guide (eAccounting & Claims)

Ensure tool and process training

Internal processes will change and improve and will have a positive impact on the people. Prepare and set up internal training sessions to ensure the experts understand the new process and the tools.

Set up monitoring framework

Messaging is the enabling tool but managing the business process is essential.

- Build in the review of key performance indicators, monitoring response times, query rates, etc.

- Hold frequent meetings with partners, particularly in the early stages, to ensure goals are achieved and maintained.

Consistent use of counter party references (Mapping)

The sender needs to include receiver's references with each message so that receiver can quickly link each transaction to their own contract records. The mapping exercise must be completed prior to message engagement.

It is important that counterparties provide references to each other at the point of binding a contract. For existing business, references can be provided within L4 Acknowledgement messages.

Technical connectivity

Technical capability readiness prior to eDeployment

To participate in Ruschlikon messaging, all involved parties must ensure the following is in place prior to engaging:

- A User Interface that is capable of consuming and validating eMessages and supporting documents.

- Adherence to latest ACORD GRLC 2016-10 data and process standards.

Technical specifications – To be provided by sender and receiver

Communication	
Protocol:	HTTPS
IP Address Production Requests will be seen to originate from	To be shared amongst sender and receiver
Invoke Location/URL for Production	To be shared amongst sender and receiver
IP Address Test Requests will be seen to originate from	To be shared amongst sender and receiver
Invoke Location/URL for Testing	To be shared amongst sender and receiver
Wire format (XML transfer mode)	SOAP

Advanced Electronic Signature	
Advanced Electronic Signature	ACORD Basic profile, mandatory elements
Certificate	Used
Certificate Authority (CA)	DigiCert

Involved partner entities

Sender's Internal Name	XML Payload – Sender's party Name	DUNS n°
Company name 01	Company name 01	……..
Company name 02	Company name 02	……..
Etc.	Etc.	……..

Receiver's Internal Name	XML Payload – Receiver's party name	DUNS n°
Company name 01	Company name 01	……..
Company name 02	Company name 02	……..
Etc.	Etc.	……..

DUNS Code/DUNS Number (n°)

The DUNS number was chosen to be the unique identifier for the exchange of emessages within the Ruschlikon community.

The Dun & Bradstreet D-U-N-S® Number (DUNS No.) is a unique nine-digit identifier for businesses that is associated with a company's business identity which may help evaluate potential partners, seek new contracts, apply for loans and much more. Details of DUNS Code/DUNS No. for existing companies can be queried/requested through their central site: https://www.dnb.com/duns-number/lookup.html. Alternatively, details can be checked with their local representative office.

Steps towards a successful eDeployment

Connectivity test

Sender and receiver to conduct connectivity test (technical test). Recommended is to exchange two claim and two premium messages to confirm that a 2-way connection is successfully established between the respective test environments.

Set up test factory

On completion of the above a sample of test messages aligning to implementation scope will be generated by the sender. The business partners agree test cases corresponding to transaction scenarios occurring in production for all in scope sender entities.

It is recommended that the test cases are generated utilizing a copy of current production data for the respective sender and receiver entities.

An accompanying 'Test Case' spreadsheet will be used amongst receiver/sender, capturing key test case information (i.e., Message Type, Transaction Type, Invoice Number, sender and receiver entity details, Message UUID). As experienced Ruschlikon member companies have established well working formats for test case handling, hence Ruschlikon does not propose a specific format.

The volume of testing can be substantially reduced by taking advantage of the extended tests provided on the ACORD Test Harness. Completing these allows companies to confirm capability once, rather than completing the same tests with each and every trading partner.

Testing & Certification (acord.org)

Agreement on scope and date for go live

On successful completion of testing, both parties will agree a target go-live date. Scope of the engagement will be communicated to in scope sender/receiver entity communities to ensure business teams are aware and engaged.

Post implementation meetings

It is highly recommended, that industry partners set up regular meetings to discuss any post implementation issues/required process updates.

Concluding remarks

There are clear business benefits to being involved with the Ruschlikon initiative. Ruschlikon is a committed community of brokers, carriers, and reinsurers (and their vendors), all striving towards the reduction of back office frictional costs and streamlining processes for the (re)insurance sector by implementing global ACORD Data Standards together with an agreed set of business processes and rules.

There is governance in place, and the standards employed are mature and stable – i.e. the initiative is already set up with partners end points in place.

Link to Ruschlikon Adoption Directory (RAD)

Onboarded practitioners from the various industry partners, organised in regional implementation groups, are committed to share their wealth of experience with more recent joiners and prospective Ruschlikon members and provide support on your eMessaging journey.

Please do reach out to contact@ruschlikon.com for any assistance or get in contact with your closest regional implementation group chair(s): Regional Implementation Groups (acord.org).

Other Useful Resources

ACORD Test Harness

Login (acord.org)

Testing & Certification (acord.org)

Useful information around Ruschlikon

- What is Ruschlikon?
- How does Ruschlikon achieve these benefits?
- Case Studies (acord.org)
- Ruschlikon's Best Practice Guide (eAccounting & Claims)
- Link to Ruschlikon Adoption Directory (RAD)
- Regional Implementation Groups (acord.org)
- Engaging with Ruschlikon – Selecting Technology Options and vendors