



2006 Implementation Survey Results Summary

**NAILBA FOCUS Meeting
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Why have a survey?

One of the challenges we face is really understanding how our NAILBA members leverage technology to streamline their business.

What software is used? Are standards really followed? Are there key vendors who are providing a majority of the support? Is paper on the way out? Are we utilizing electronic signatures?

To learn the answers to these and other questions, we asked NAILBA agencies to complete two surveys: one focused on technology, the other on the business process.

Survey Summary

- 104 Responses to the Business Survey
- 93 Responses to the Technology Survey
- Approximately 30% response rate
- SurveyMonkey was used to deliver the survey
- Available for completion for approximately 2 months
- Responses dwindled towards the end of the survey

Technology Survey Results

Which functions do you manage with your software (AMS)?

	Total	%
Do not Use	1	1%
Other	5	6%
Lead Tracking	21	24%
Agent Recruiting	34	38%
Customer Service	36	40%
Customer Mailings	39	44%
Commission Tracking	51	57%
Sales Hierarchy	69	78%
Requirement Ordering	72	81%
Contacts	74	83%
Insurance Applications	80	90%
Production by agent	82	92%
Agency Appointment & Licensing	82	92%
Case Tracking	83	93%

Notes/Comments

Question # 2

Number of Responses: 89

Which Agency Management System software do you use?

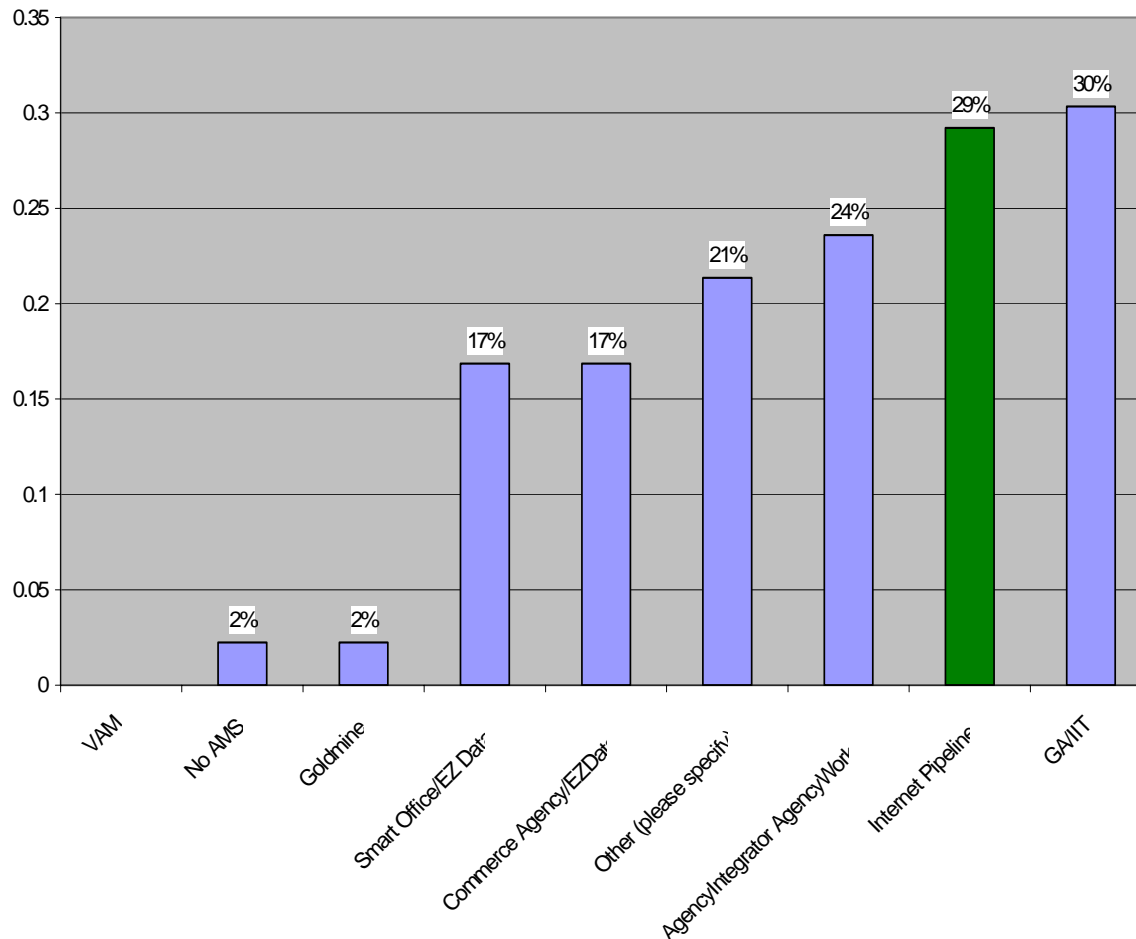
Notes/Comments

Question # 3

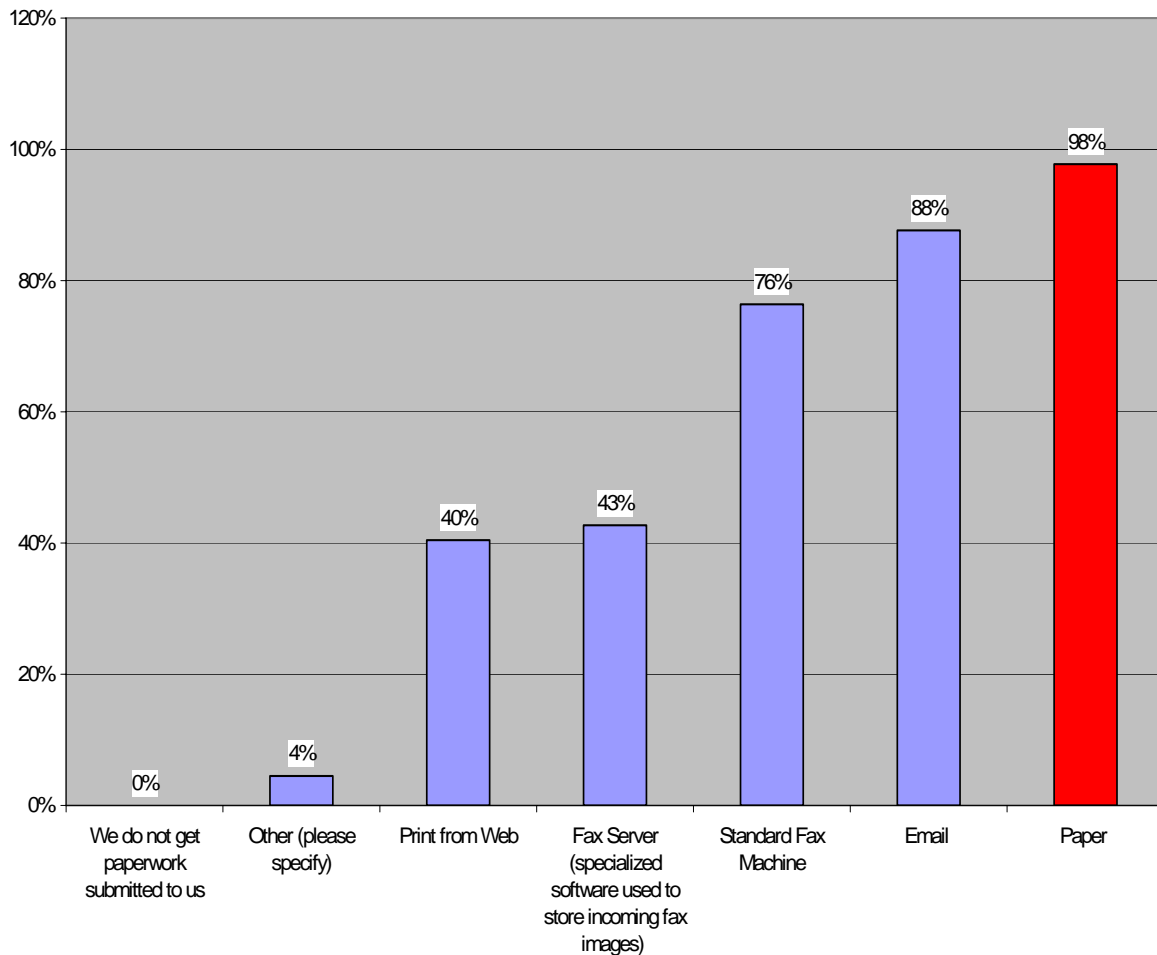
Number of Responses: 89

Other systems listed:

- Alink
 - Agency Works Insuresocket
 - Proprietary System
 - Proprietary system developed in-house
 - ACT
 - CUSTOM
 - Captiva
 - (legacy DOS system)
 - Wealthspring
- Ipipeline is listed as an AMS vendor
 - No clear AMS market leader



How does Paperwork get submitted to your office?



Notes/Comments

Question # 4

Number of Responses: 89

- Opportunities for electronic submission?
- Are agents using fillable forms?
- Do some folks have a fax server and a standard fax in their office?
- What is "Print from Web"
- Are the e-mail submissions secure (privacy issues)?

How do you store paper documents?

- Paper

- 70% (57) Store some type of Paper
- 20% (16) Do not store or send to carrier
- 9% (7) Destroy per carrier instructions

- Electronic Images

- 46% (37) Both PDF and TIF
- 20% (16) PDF
- 21% (17) TIF
- 7% (6) Do not store images

Notes/Comments

Question # 6

Number of Responses: 89

- Why do carriers require paper after receiving image?
- No clear process/vendor
- Lack of integration with AMS systems?

Electronic Submission Method to Carriers?

- 67.1% (55) E-Mail
- 67.1% (55) Fax
- 47.6% (39) ExamOne Imaging
- 18.3% (15) PaperClip
- 13.4% (11) Direct To Carrier
- 13.4% (11) Case Clearing House
 - Quotes?
- 11% (9) iPipeline

Notes/Comments

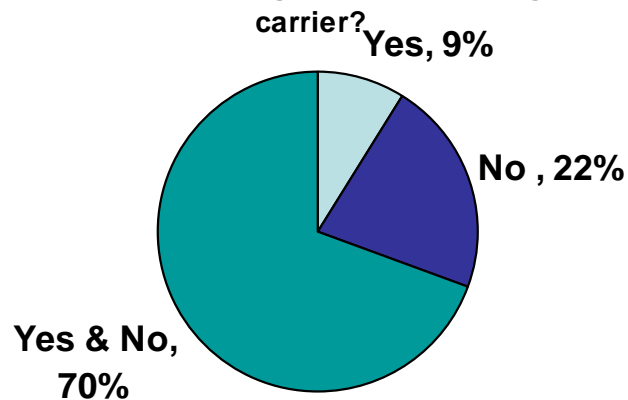
Question # 7

Number of Responses: 82

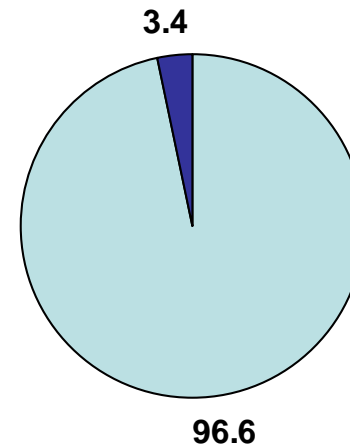
- Opportunities for electronic submission?
- Security & privacy issues with e-mail submissions?
- Quality issues with FAX submissions?

Packaging & Quality

Do you hold applications and package the entire case for underwriting before submitting to the carrier?



Do you perform a quality check/scrub on all of the paperwork that you receive and process?



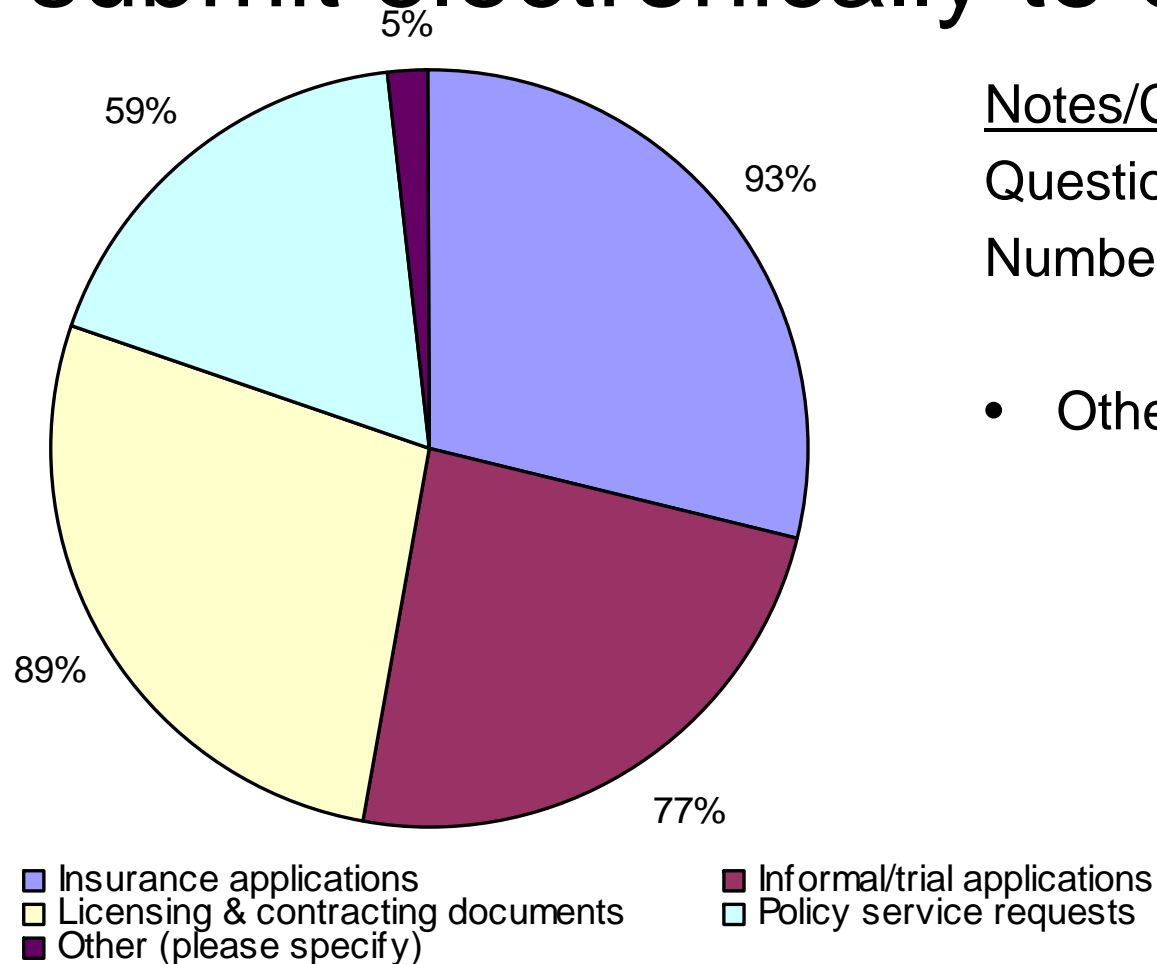
Notes/Comments

Question # 9 & 5

Number of Responses: 82 & 86

- If quality check is 96%, why do carriers publish 40% as in good order (IGO)?
- Why do carriers want incomplete/piecemeal applications?

What types of paperwork do you submit electronically to carriers?



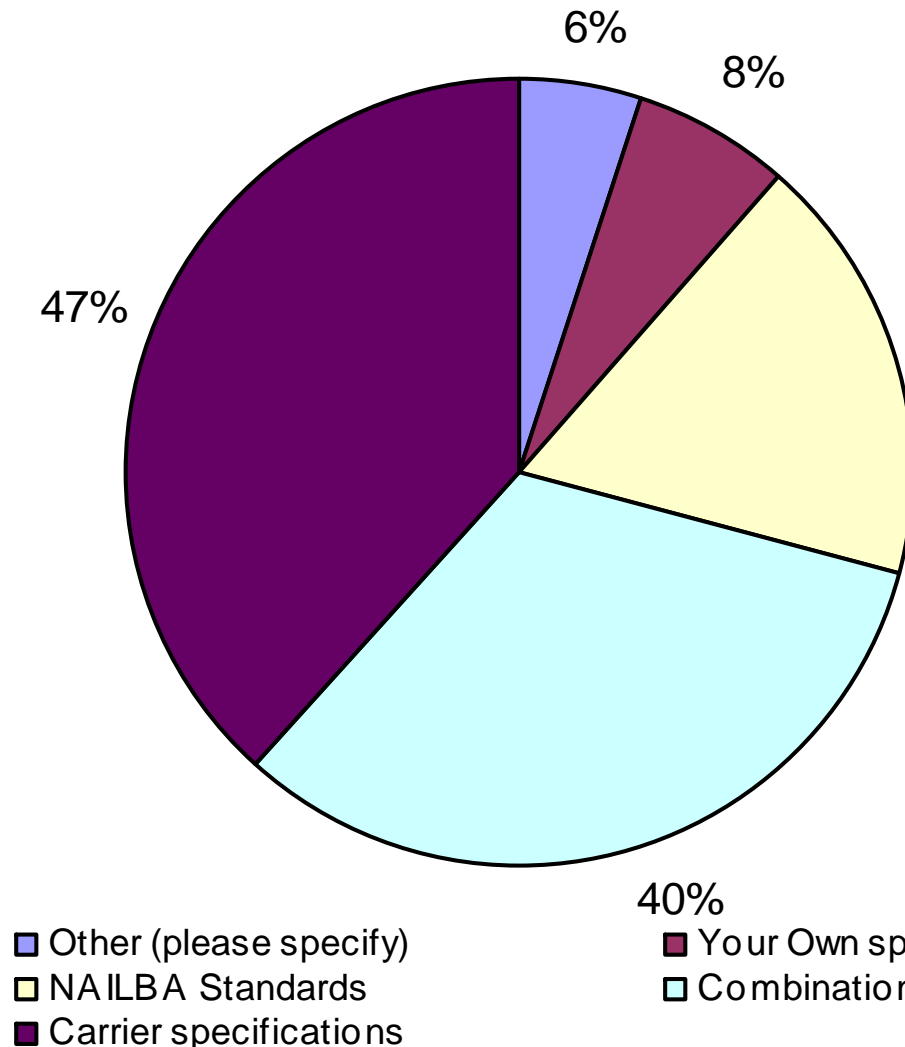
Notes/Comments

Question # 8

Number of Responses: 78

- Other – Requirements

Image Rules & Standards Used?



Notes/Comments

Question # 11

Number of Responses: 73

22%

- Only 40% using NAILBA standards
- 21% indicated not familiar with NAILBA standards
- Those not using NAILBA standards cite Carrier mandate/request
- Opportunity for Vendors

Electronic Submission Method to Carriers?

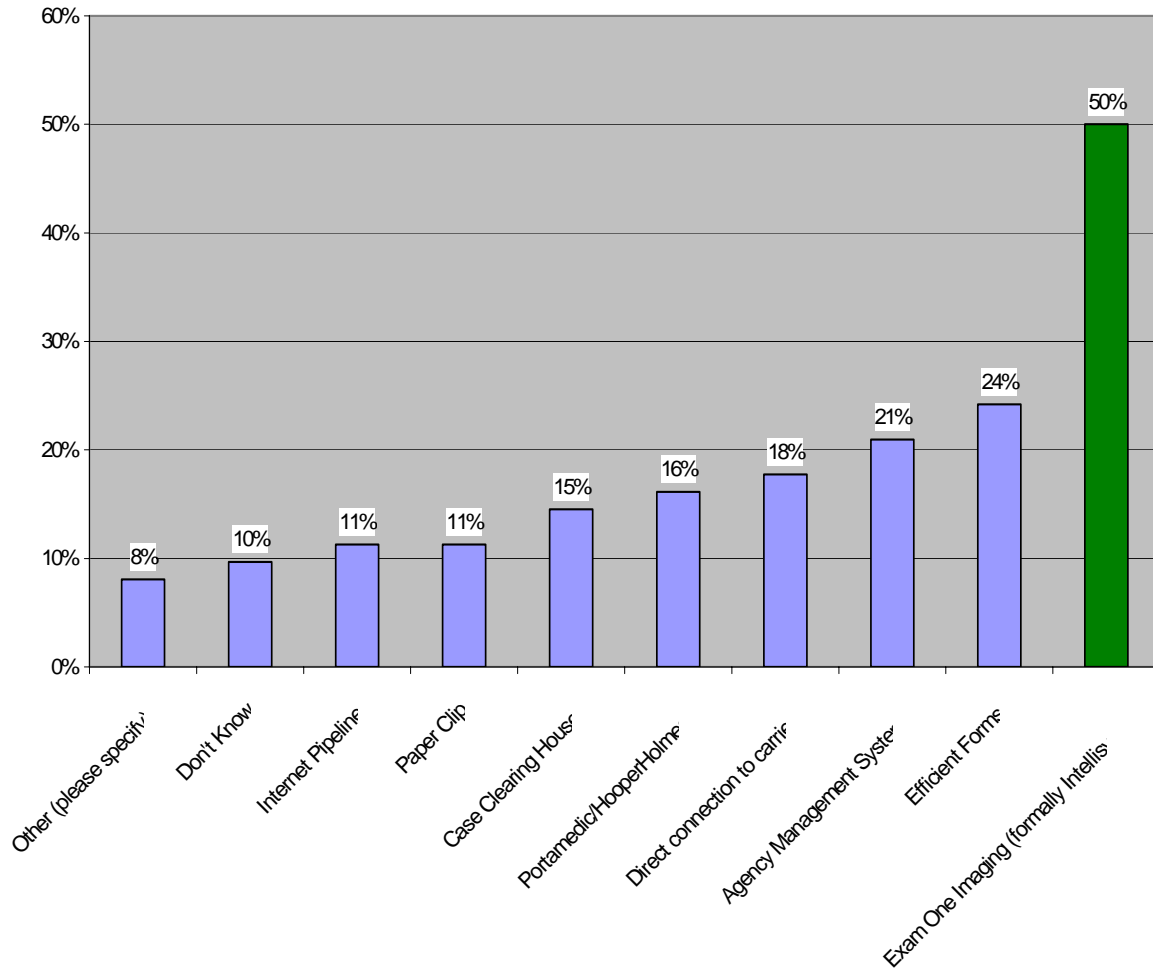
- 50.7% (37) L,A & C
- 41.1% (30) Full Part A
- 41.1% (30) Informal / Trial
- 35.6% (26) **Full Part B** – Who???
- 35.6% (26) Nothing Except Images
- 32.9% (24) Policy Service Requests
- 31.5 % (23) Partial Part A

Notes/Comments

Question # 13

Number of Responses: 73

What electronic transmission methods do you use to transmit data?



Notes/Comments

Question # 14

Number of Responses: 62

- Exam One clear market leader – Image Only?

What data standard do you use?

- 21.3% - ACORD standard transactions/messages
- 36.1% - NAILBA standard transactions
- 9.8% - XML, non-ACORD standard
- 8.2% - Text or delimited file
- **52.5% - Don't Know**
- 1.6% - Other (please specify)

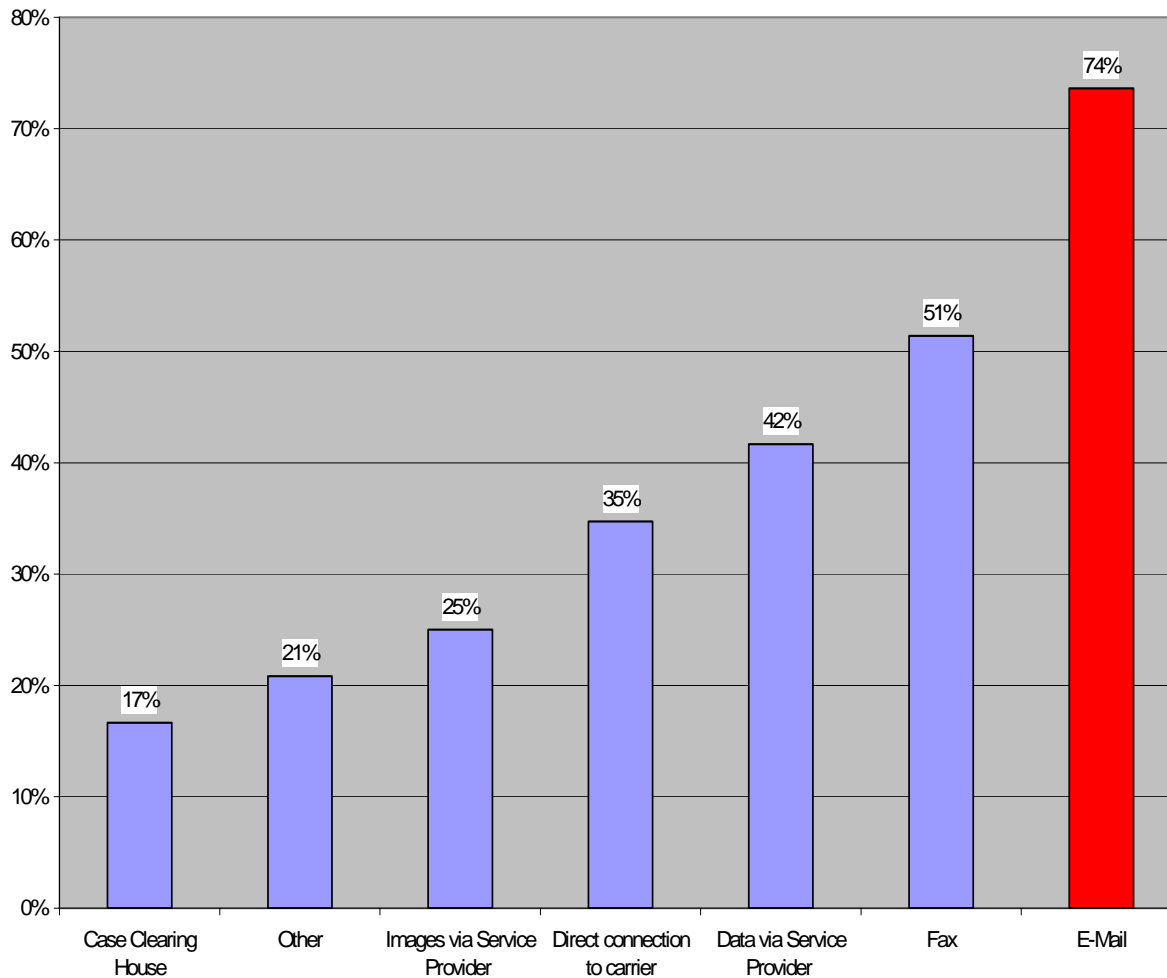
Notes/Comments

Question # 15

Number of Responses: 61

- Responses support the extreme use of paper submissions
- AMS Value Proposition

What electronic transmission methods are used to send status to you?



Notes/Comments

Question # 19

Number of Responses: 72

- Why is e-mail considered status
- Limited integration with AMS

Carrier companies you submit paperwork to electronically.

- 42 AIG
 - 32 Genworth
 - 31 Banner
 - 22 Protective/ EG / WCL
 - 18 Allstate / LBL
 - 15 PRU
 - 14 Transamerica
 - 14 John Hancock
 - 13 United of Omaha
- Less than 10
- MetLife / Travelers
 - Jefferson Pilot
 - ING
 - NACOLH
 - US Financial

Ideally, how would you like to receive status?

- 54% Like I do now

- 46 % Other

1. Through Smart Office
2. E-mail
3. Better carrier downloads in to Agency Management System, Agency Works.
4. downloaded into our system if it works and is up to date as their websites
5. Real time or regular post to a web service
6. all on zebu
7. like i do now but is can be improved
8. Consistent platform; consistent codes
9. Would like to have all on one electronic system
10. more of it. NO CARRIER PARTICIPATION!
11. All carriers through EZ-Data
12. into IIT system
13. Electronically into our AMS (IIT's GA)
14. We need more information on a more regular basis. It needs to be as complete as the carriers website
15. Through Agency management system. Commerce Agency does not work for us, but Smart Office is said to. We'll see.
16. download
17. Through AMS
18. IIT or iPipeline or direct connect

19. AMS system
20. 20. One Site all Carriers
- 21 Through Agency Works with ALL carriers
22. Carrier feed is OK as long as all carriers will follow the standard - NAILBA or Accord
23. Electronically uploaded into our AMS
24. Downloaded to Agency Works and by email
25. UNIFORMLY ACROSS ALL CARRIERS
26. Would like to move to imaging system
27. all electronically
28. all in once place instead of some in the mgt system and some on HO Websites
29. electronically

Notes/Comments

Question # 22

Number of Responses: 63

What are you/your agency looking for from the NAILBA Technology committee?

	Highest	2	3	4	5	Lowest	Response Average
Continue to drive carriers to implement existing standards	40% (18)	18% (8)	9% (4)	16% (7)	16% (7)	2% (1)	2.56
Focus on sharing solutions/successes that can be used from agency to agency	0% (0)	22% (9)	20% (8)	34% (14)	20% (8)	5% (2)	3.66
Focus/develop technology solutions for smaller agencies	22% (10)	4% (2)	18% (8)	4% (2)	18% (8)	33% (15)	3.91
Focus/develop technology solutions for the larger BGAs	0% (0)	7% (3)	7% (3)	22% (10)	22% (10)	42% (19)	4.87
Focus on driving vendors and carriers to adopt standards that will streamline workflows and reduce agency costs	23% (10)	39% (17)	20% (9)	9% (4)	9% (4)	0% (0)	2.43
Focus on technology solutions that at the same time create efficiencies and minimize costs for agencies, vendors and carriers.	29% (14)	20% (10)	27% (13)	12% (6)	6% (3)	6% (3)	2.65
Total Respondents							53
(skipped this question)							40

What Standards??

Future Technology Projects ?

	Highest	2	3	4	5	6	Lowest	N/A	Response Average
Fillable forms	34% (19)	16% (9)	9% (5)	9% (5)	4% (2)	7% (4)	7% (4)	14% (8)	2.79
Real time paramed exam scheduling	16% (9)	15% (8)	24% (13)	13% (7)	9% (5)	7% (4)	7% (4)	9% (5)	3.38
Agent Electronic signature	20% (11)	21% (12)	16% (9)	9% (5)	5% (3)	4% (2)	4% (2)	21% (12)	2.80
Applicant Electronic signature	16% (9)	14% (8)	18% (10)	11% (6)	5% (3)	5% (3)	5% (3)	25% (14)	3.17
Check 21 process for CWA	8% (4)	2% (1)	12% (6)	17% (9)	2% (1)	6% (3)	17% (9)	37% (19)	4.42
Integrated status (all status for the fulfillment process available from a single source)	37% (20)	15% (8)	9% (5)	9% (5)	2% (1)	2% (1)	6% (3)	20% (11)	2.40
Electronic policy delivery	18% (10)	12% (7)	18% (10)	7% (4)	7% (4)	5% (3)	9% (5)	23% (13)	3.33
Total Respondents									58

What can the Technology Committee do to benefit you or increase your participation?

1. **Standardizing electronic submission methods**
2. Cutting out the middle-man. There really is no need for PaperClip or LabOne if we upload to carrier. Create our own site to list trial applications and have carriers come to us.
3. Barcodes on forms for all carriers for indexing
4. Expanding to health insurance solutions
5. **Standards**
6. Technology for nasd and other compliance issues
7. Already answered in other survey
8. Compliance
9. I don't think you have been clear in the survey questions.

Other Findings

- 52.2% (32) People do not know what type of data standard their offices uses
 - 78.9% (56) Receive status electronically
 - 84.6% (44) Still receive status directly from Carrier
 - Most common way to receive status is Email
 - If no Electronic Status – Most use the Carrier Web site
 - Some name confusion regarding vendors
 - At least 3 people still think IIT is called ZEBU
 - Other: Portamedic, Intellisys, Commerce
- Branding/Marketing opportunity for these vendors

Business Survey Results

Describe Your Agency

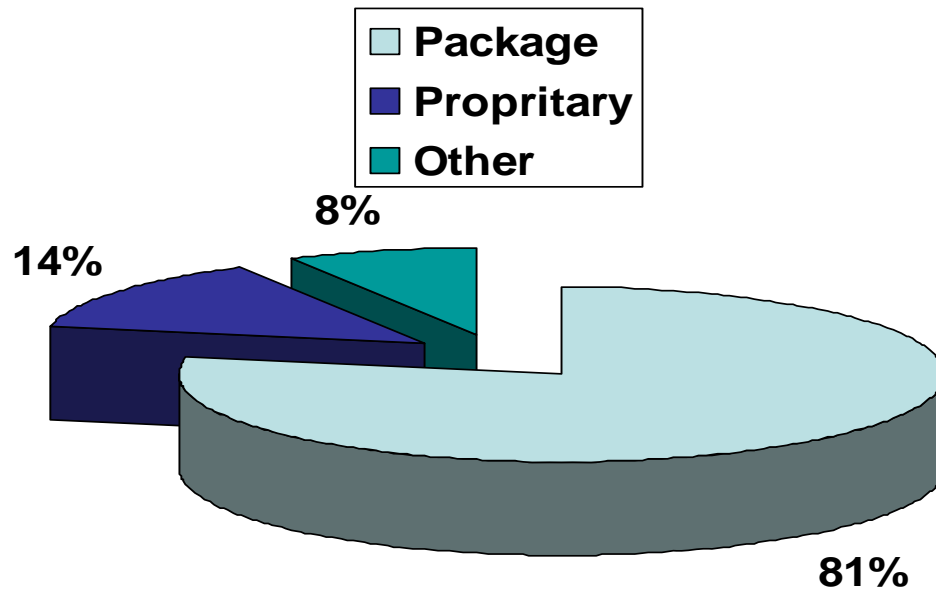
Staff Size						
	2 - 10	11 - 20	21 - 50	51 - 100	Greater than 100	Response Total
Click on arrows to select answer	53% (55)	17% (18)	25% (26)	3% (3)	1% (1)	103
Structure						
	Single location	2 - 4 locations		Greater than 4 locations		Response Total
Click on arrows to select answer	72% (74)	26% (27)		2% (2)		103
Distribution						
	Brokerage			Broker/Dealer		Response Total
Click on arrows to select answer	97% (100)			3% (3)		103
Volume of Business (Number of Apps per year)						
	1 - 500	500 - 1000	1000 - 2500	2500 - 5000	over 5000	Response Total
Click on arrows to select answer	11% (11)	22% (23)	32% (33)	24% (25)	11% (11)	103
Carriers you represent						
	4 - 10	11 - 20		Greater than 20		Response Total
Click on arrows to select answer	18% (16)	32% (29)		51% (46)		91
Technology Support						
	Internal technical staff	External technical consultants	Both		Other	Response Total
Click on arrows to select answer	10% (9)	41% (35)	47% (40)		2% (2)	86

Comments

Question #1

- Most work with external technical consultants
- Note typical office size

If you have plans to use an Agency Management System, what type of system will you be more likely to choose?



Notes/Comments

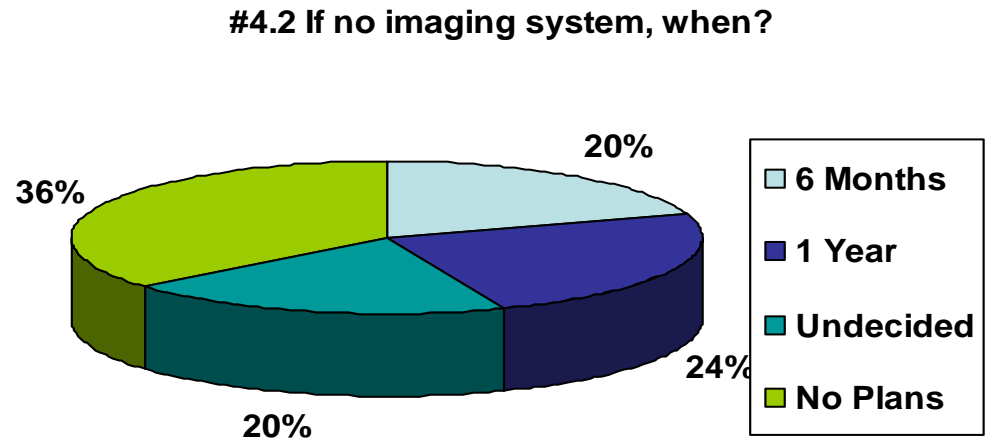
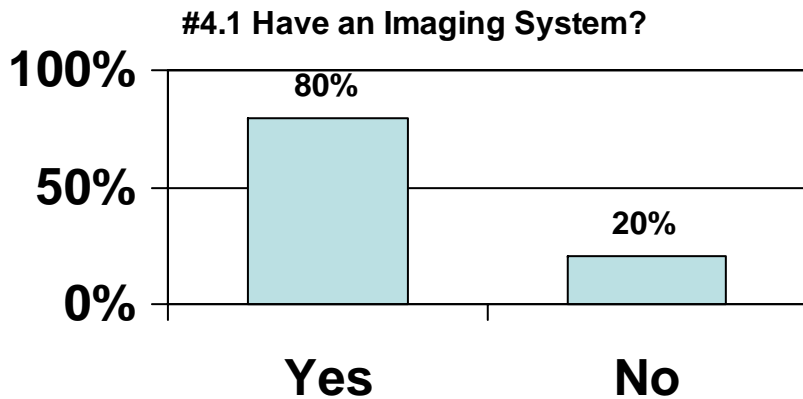
Question # 2

Number of Responses: 36

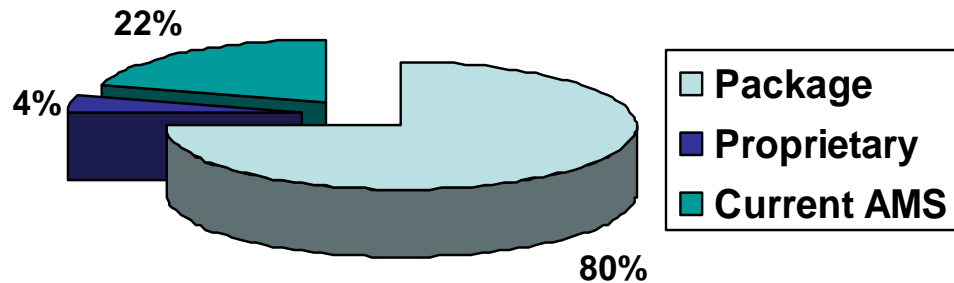
- Low response may indicate they simply do not know what's available
- Opportunity for AMS vendors

Those offices not planning to purchase an AMS system cite "Insufficient Benefits" as the main reason. Note: Small sample.

Paperwork & Imaging



#4.3 What type of system will you use for data transmission?

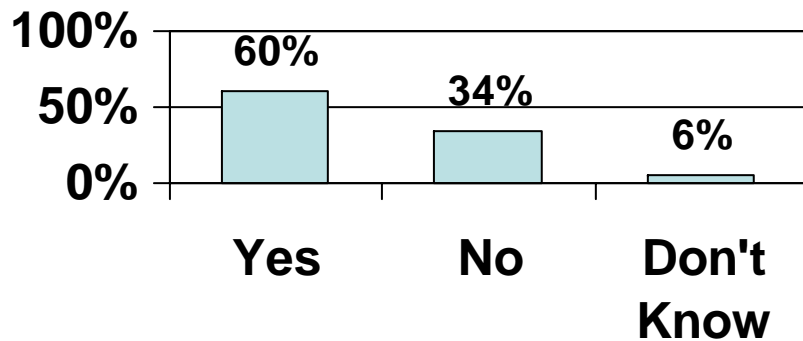


Notes/Comments

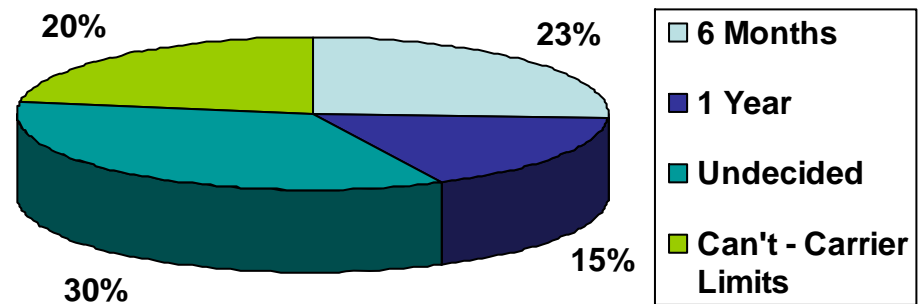
- 36% have no plans to image!
- NAILBA imaging standards in play?
- Small sample for 4.3
- Cost cited as issue

Electronic Data Transmission

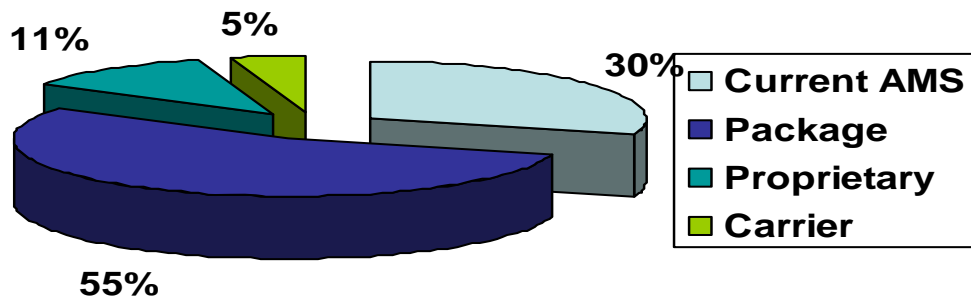
#6.1 Sending Policy Data?



#6.2 Timing of data transmission to carriers?



#6.3 What type of system will you use for data transmission?

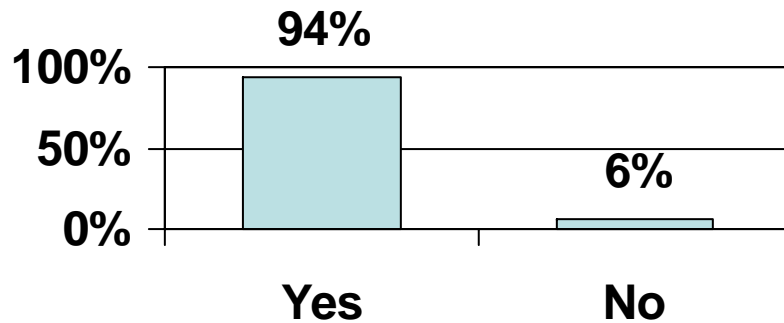


Notes/Comments

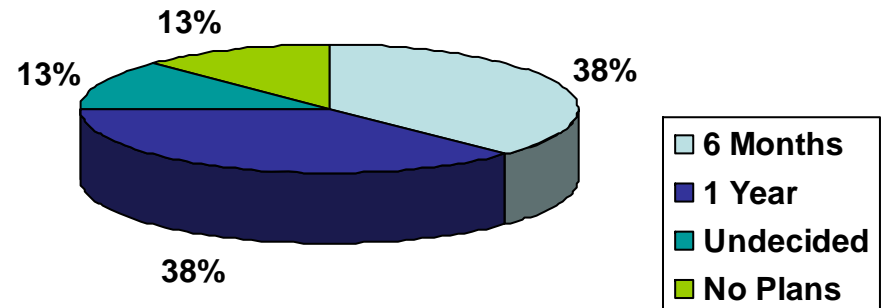
- Most likely indexing data as opposed to Part A data?
- ACORD 103 standards?

Status (From Carrier or Service Provider)

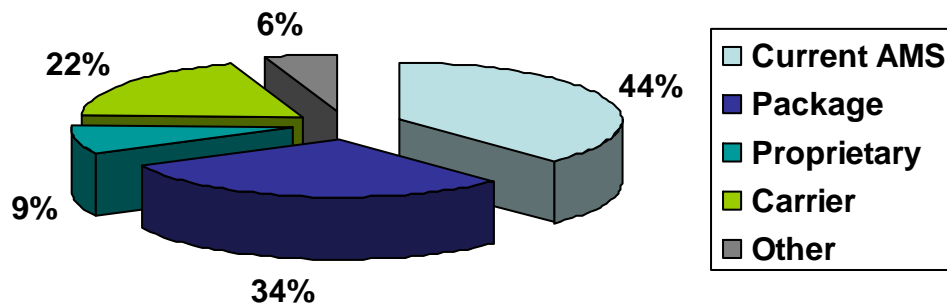
#8.1 Receiving Status?



#8.2 When will you be ready for status?



#8.3 If plans for status, what will you buy?



Notes/Comments

- Opportunity to integrate AMS with carrier
- Integrated status a must have

Technology Solutions - Please indicate which you currently have in place and the order of importance of these features for your operation.

	Highest	2	3	4	5	6	Lowest	N/A	Response Average
Fillable forms	21% (19)	18% (16)	17% (15)	13% (12)	6% (5)	3% (3)	4% (4)	17% (15)	2.91
Real time paramed exam scheduling	20% (18)	19% (17)	22% (19)	11% (10)	2% (2)	7% (6)	6% (5)	13% (11)	2.99
Agent Electronic signature	20% (17)	21% (18)	13% (11)	10% (9)	7% (6)	3% (3)	6% (5)	20% (17)	2.97
Applicant Electronic signature	16% (14)	19% (16)	8% (7)	13% (11)	10% (9)	1% (1)	7% (6)	26% (22)	3.19
Check 21 process for CWA	8% (6)	10% (8)	14% (11)	9% (7)	8% (6)	8% (6)	10% (8)	32% (25)	3.94
Integrated status (all status for the fulfillment process available from a single source)	34% (30)	18% (16)	11% (10)	7% (6)	3% (3)	1% (1)	7% (6)	17% (15)	2.49
Electronic policy delivery	23% (19)	15% (13)	12% (10)	7% (6)	5% (4)	4% (3)	7% (6)	27% (23)	2.93
Total Respondents									93

Comments

- Question 10.1
- Technology Survey indicated fillable forms as top priority.

What are the Top Three planned installations planned for your agency?

	YES	NO	6 MONTHS	NEXT YEAR	UNDECIDED	Response Total
Fillable forms	35% (23)	11% (7)	15% (10)	15% (10)	24% (16)	66
Real time Exam scheduling	26% (16)	18% (11)	6% (4)	6% (4)	44% (27)	62
Agent electronic signature	22% (16)	25% (18)	14% (10)	10% (7)	30% (22)	73
Applicant electronic signature	14% (10)	23% (16)	12% (8)	10% (7)	41% (28)	69
Check 21 for Cash With Application	10% (6)	22% (14)	2% (1)	3% (2)	63% (40)	63
Integrated status (all status for the fulfillment process available from a single source)	29% (18)	16% (10)	16% (10)	8% (5)	32% (20)	63
Electronic policy delivery	15% (10)	18% (12)	3% (2)	14% (9)	50% (33)	66
Total Respondents						83

Comments

- Question 10.2
- Technology Survey indicated fillable forms as top priority.

What are you/your agency looking for from the NAILBA Technology committee ?

	Highest	2	3	4	5	Lowest	Response Average
Continue to drive carriers to implement existing standards	28% (21)	9% (7)	19% (14)	24% (18)	19% (14)	0% (0)	2.96
Focus on sharing solutions/successes that can be used from agency to agency	8% (6)	23% (18)	20% (16)	24% (19)	19% (15)	6% (5)	3.43
Focus/develop technology solutions for smaller agencies	13% (10)	15% (12)	21% (16)	10% (8)	22% (17)	19% (15)	3.71
Focus/develop technology solutions for the larger BGAs	2% (2)	4% (3)	16% (13)	10% (8)	15% (12)	52% (42)	4.89
Focus on driving vendors and carriers to adopt standards that will streamline workflows and reduce agency costs	43% (35)	30% (24)	11% (9)	6% (5)	9% (7)	1% (1)	2.11
Focus on technology solutions that at the same time create efficiencies and minimize costs for agencies, vendors and carriers.	20% (17)	28% (23)	18% (15)	22% (18)	7% (6)	5% (4)	2.82
Total Respondents							93

Comments

- Same top two as technology survey, but different percentage. (Standards was 40% & technology solutions was 29%)

What Does it all Mean?

- Tremendous opportunity for AMS vendors & service providers
 - How does NAILBA help them?
- Clear need for education on use of technology, what's available and what not to do
- Need to educate BGAs on security and privacy issues with e-mail communications
- Opportunity for promoting existing process/packages in production today
- Opportunity to educate on NAILBA & ACORD standards (limited)

What Does it all Mean? (Continued)

- Most BGA offices have a limited understanding of technology opportunities and/or limited resources
- Need to keep technology topics simple. Let the vendors/carriers provide the “behind the scenes” work
- Application (policy) status, as well as Examiner status is key to BGAs
- There is redundant data entry throughout the industry
- Paper remains prevalent, opportunity for electronic submissions and data exchange

Is a NAILBA “Model Office” beneficial?

- Design a Model Office based upon carrier/vendor/BGA best practices
- Demonstrate how existing technologies and process can benefit all
- Demonstrate how service providers can provide value to carriers/BGAs

NAILBA Implementation Committee Platform – For Discussion

- What will we focus on?
 - Is there a clear issue?
- How will we engage carriers and vendors with the BGAs?
- What's the short term and long term deliverable?
- What's our definition of success and how will we measure it?
- How do we align with ACORD?