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Blueprint Two Working Session

9 February 2023





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Welcome

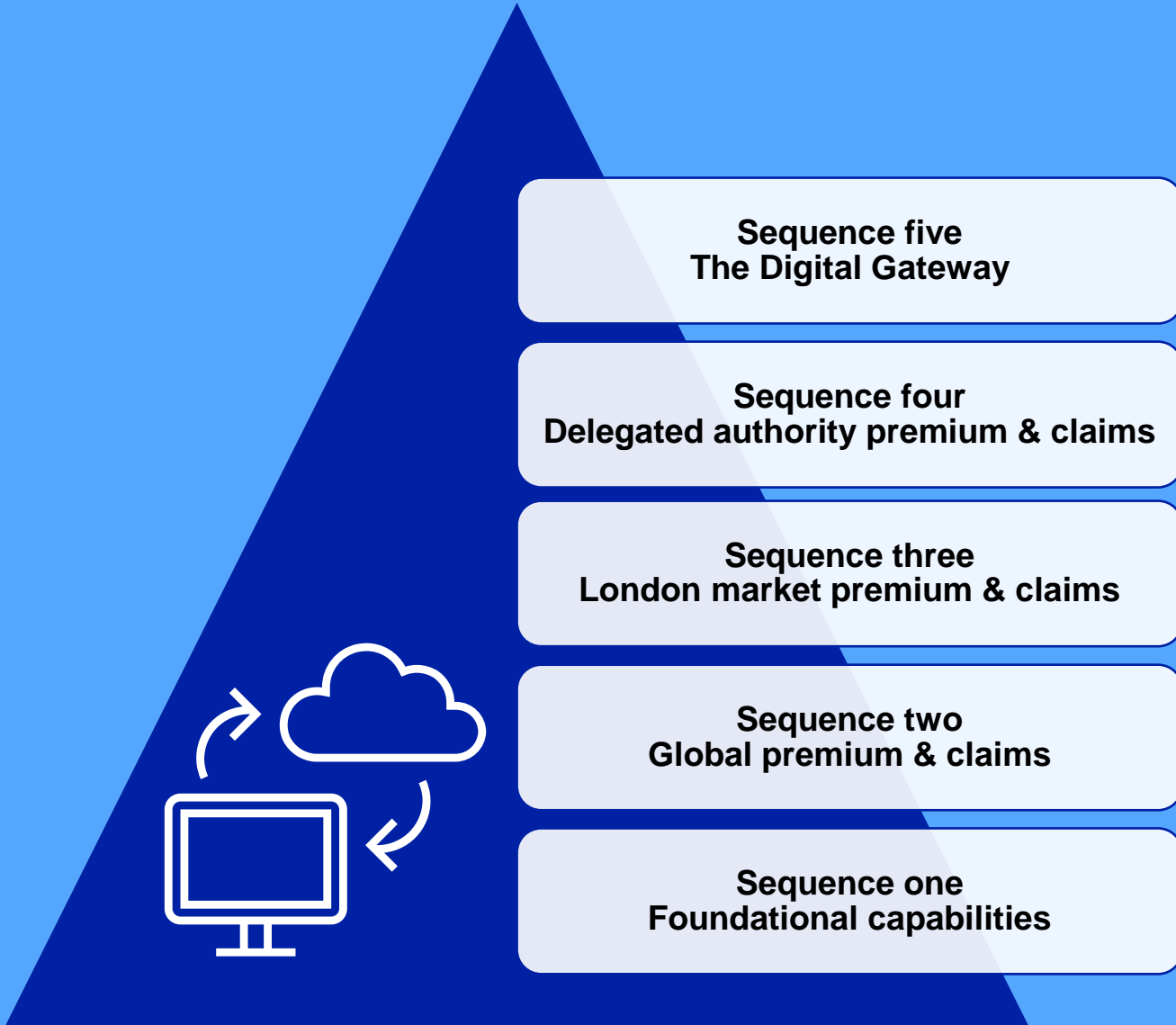


Bob James
Market Transformation Director, Lloyd's



Blueprint Two is progressing well; but it needs your support to succeed

- The **2023/2024 roadmap** discussed in December is **confirmed**
- The technology stack is being delivered: **sequences one and two are ready**
- **We will need your help** to deliver sequences three, four and five
- There is a **joined-up effort** between Lloyd's, the London Market Joint Ventures and our market associations to make this happen
- The **CDR to ACORD global data standards** is being finalised
- We have a **market consultation underway** to define the processes, roles and responsibilities on data completion and submission
- This workshop (one of four in 2023) is part of a **larger engagement and readiness effort**
- Collaboration is key, so we can plan **adoption** together





Better



Re-engineering the way business is transacted in the market, covering all aspects of placement and processing of premiums and claims

Faster



Completing the processing transactions within placement and claims in minutes and hours, rather than weeks

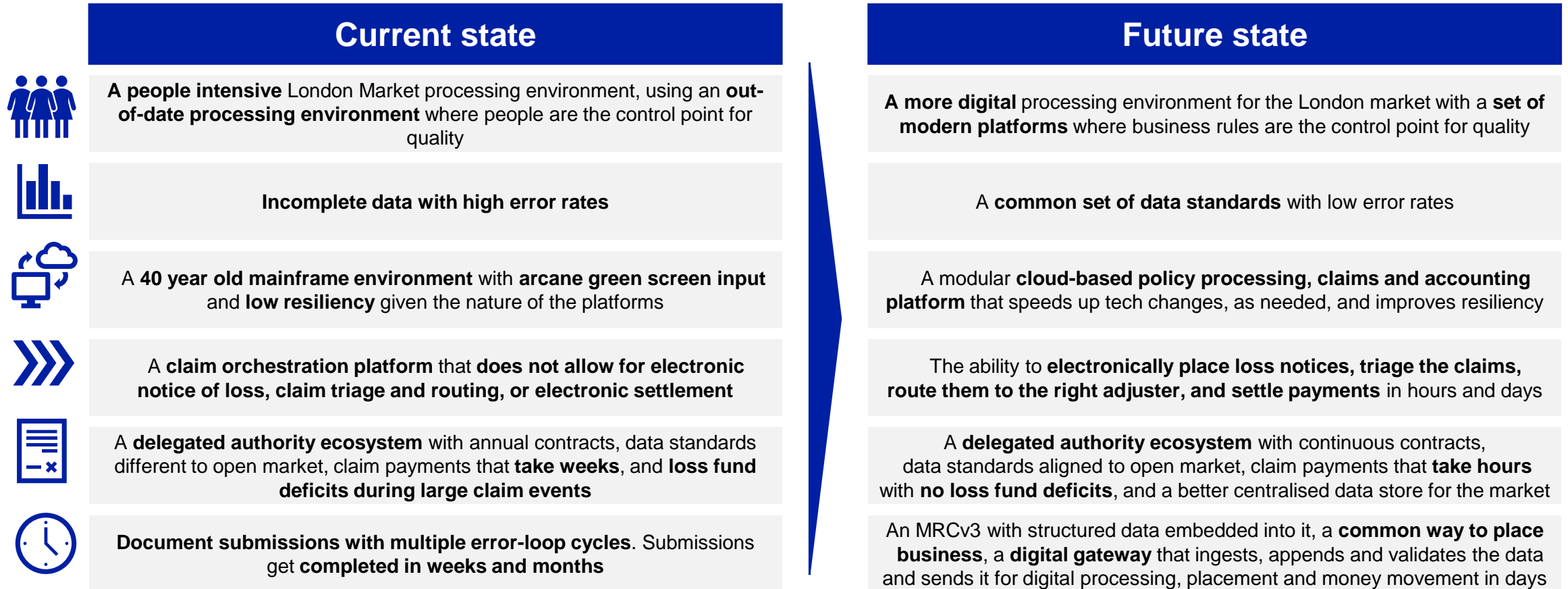
Cheaper



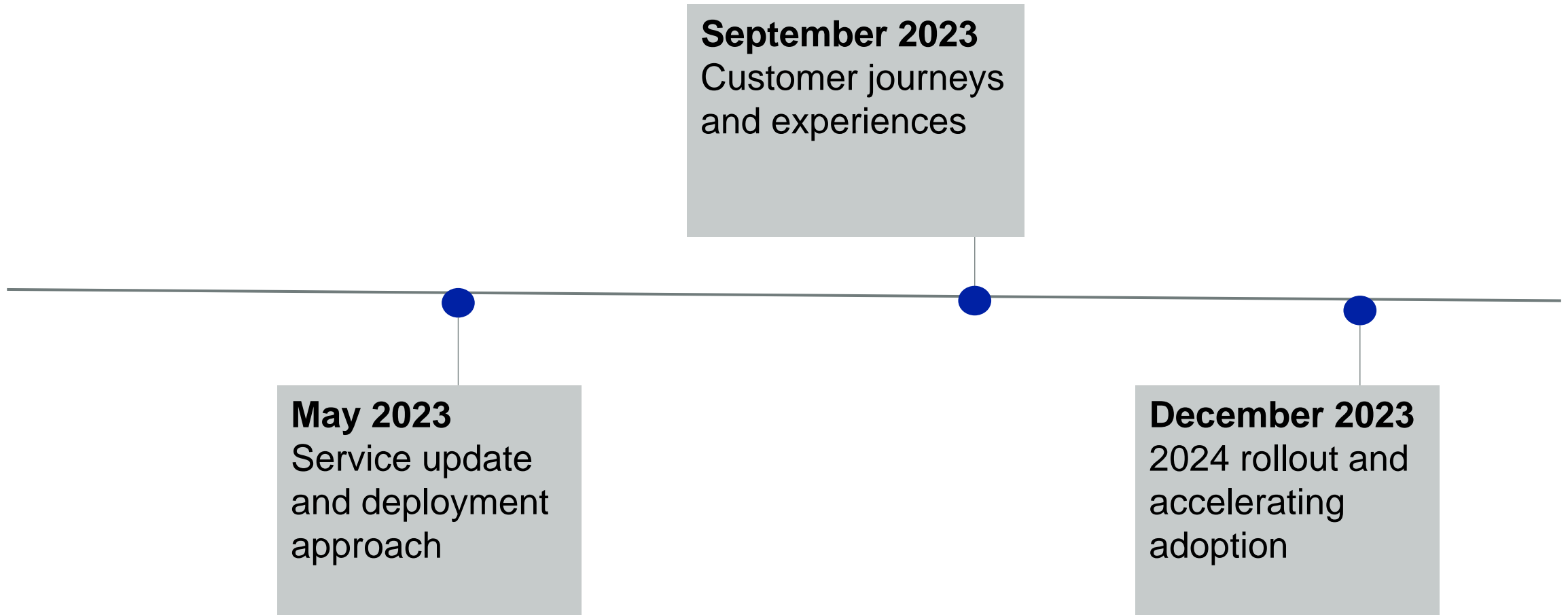
Delivering significant cost savings through digitalisation of the whole marketplace, avoiding errors and rework

What does it look like when we get there

Brokers and insurers could realise annualised benefits of over £800 million from operating in our new digital marketplace. This is equivalent to a 3% reduction in the combined ratio of the market. Having a standardised data set and modern processing platforms gives the market the pipeline and tech platform to innovate and grow.



Our next three workshops are aligned to the roadmap





Agenda

15:00 – 15:10	Welcome: Bob James	
15:10 – 15:25	Overview: Chris Halbard and Bob Verber	
15:25 – 15:45	Sequence Two Overview: Martin Kelsh & Anne Pearsall	
15:45 – 16:10	Placement and premium update: Steve Hicks & Ruan Ebersohn	
16:10 – 16:15	Split into breakout rooms	
16:15 – 17:00	Breakout 1 Placement and premium products: Jay Mehta & Ed Croker	Breakout 2 Claims products: Sian Keeble & Rich Boyd
17:00 – 17:15	Refreshment break	
17:15 – 18:00	Breakout 1 Claims products: Sian Keeble & Rich Boyd	Breakout 2 Placement and premium products: Jay Mehta & Ed Croker
18:00 – 19:30	Networking drinks	



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Overview

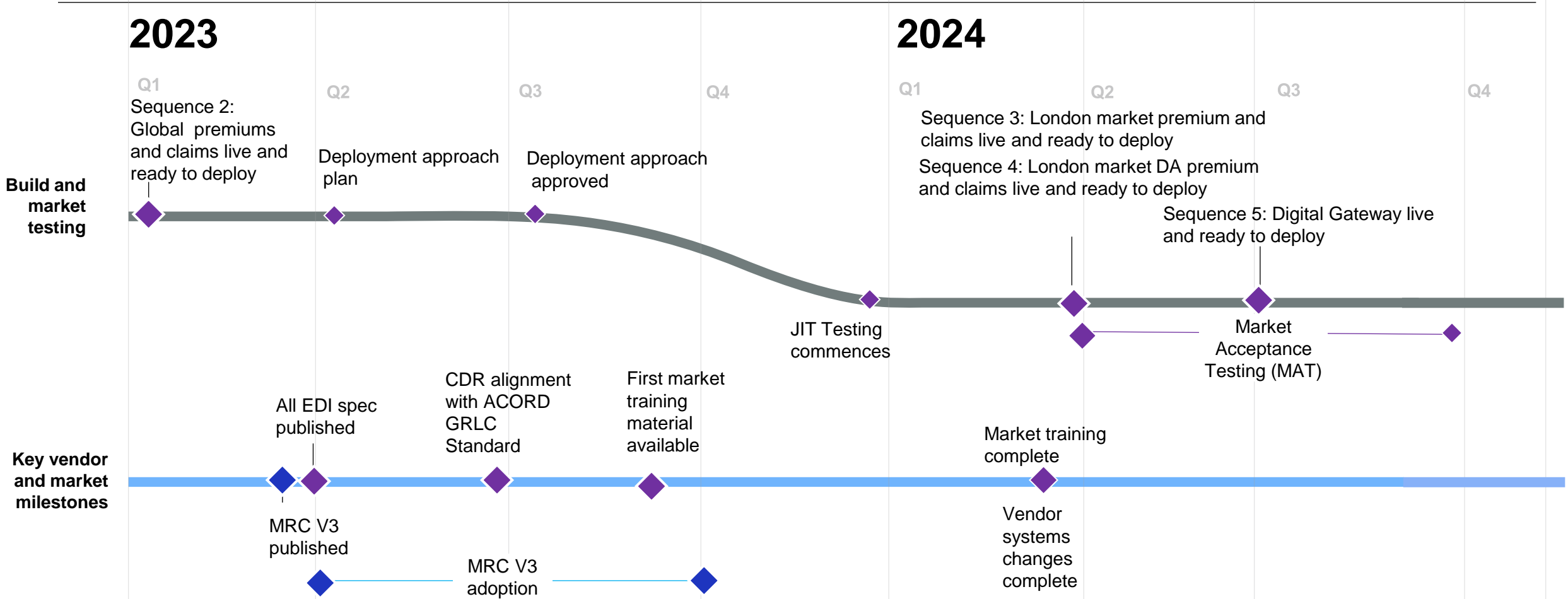


Chris Halbard
President, EMEA at DXC Technology



Bob Verber
Interim CEO London Market Joint Ventures

Key milestones for 2023/2024



Deployment approach designed for market participants

Deployment strategy

- Reviewing our deployment of the digital build for the market
- A 'big bang' approach may not lend itself to the seasonality of our marketplace, so are considering a phased approach
- Working alongside market participants, we are defining our deployment strategy to be shared in Q2 2023

Considerations



Timeframes



Impact on insurers and brokers



Impact on all testing



Risks



Cost

Timeline

Dec '21

Jan '23

Feb '23

March '23

April '23

May '23

Impact assessment of approaches

Delivery deployment plan

Deployment approach shared with the market

The 'global' build (sequence two)



Martin Kelsh

Chief Growth Officer, London Market Joint Ventures



Anne Pearsall

Head of Underwriting & Premium Products, London Market Joint Ventures

The five sequences of the digital processing build



Foundational capability

1

Set of foundational components that will be used across services / future phases of delivery



Global Premium & Claims service

2

Global specialty insurance service to manage premium movement and claims orchestration for singleton non-complex business



London Market Premium & Claims service

3

London market service to manage premium movement and claims orchestration for syndicated business within Lloyd's and company open market



Delegated Authority Premium & Claims service

4

London market service expanded to handle delegated authority premium and claims submissions



Gateway Risk service

5

Supports London open market placement through ingestion of Core Data Record, incl. data validation, augmentation and notifications

Global digital platform

Where we are today...

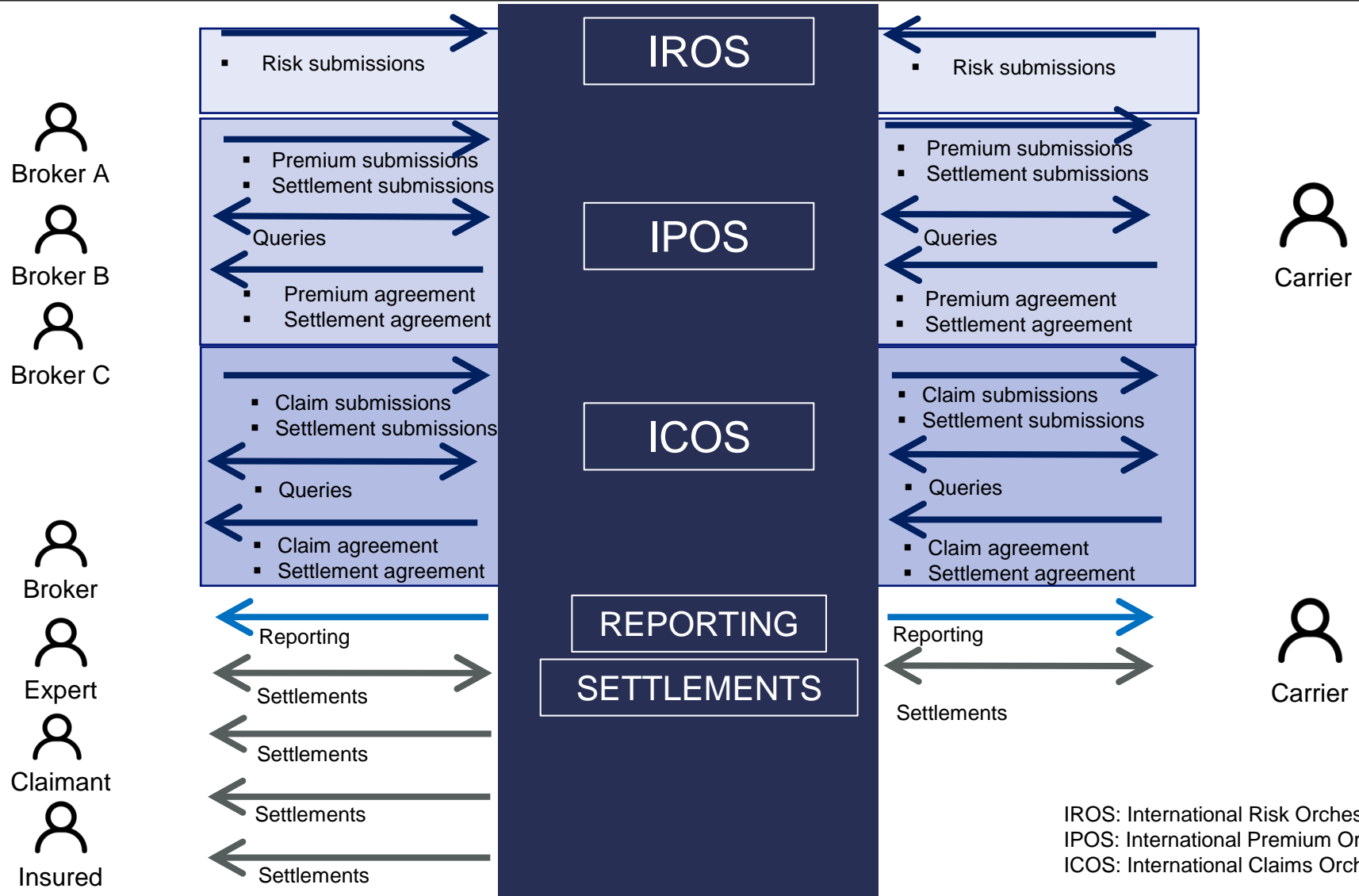


Global Premium & Claims service

- Supports peer-to-peer premium and claim submissions and agreement
- No London Market specifics e.g., central settlement and tax split
- Customer systems can be integrated directly with the platform using ACORD standard messaging or via the equivalent REST API; alternatively, can be accessed by a web browser/portal
- ACORD messaging and portal managed interchangeably between broker and carrier, allowing both parties to operate with their preferred input/output method
- Delivers fast, accurate premium and claims payments and breadth of currencies
- BPO can be provided as a wrap around if required

Sequence 2 will go live Q1 2023 with Global Premium and Claims Service

Business flow through the global digital platform



Benefits of the global digital platform



Speed

- ✓ Fast, direct settlements
- ✓ Transparent query resolution



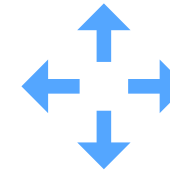
Visibility

- ✓ Auditable transparent data
- ✓ Interactive portal dashboard



Quality & Precision

- ✓ Basic 'soft' validations
- ✓ Centralised document management
- ✓ ACORD EBOT/ECOT - Compliant with GRLC 2016-10



Flexibility

- ✓ Claims can be paid directly
- ✓ Query management via ACORD or portal
- ✓ Settlements can be batched in cycles of 24 hours



Security & Performance

- ✓ Cloud native

Example use cases

US broker business into Bermuda Carrier



Challenge

Business previously managed via London Market Bureau is now placed via a US broker and comes to Bermuda carrier direct.

Solution

Global Digital Platform facilitates risk, payment and claims inputs direct from US brokers. Bermuda carrier authorises payments via the platform, with settlement message notifications received direct into carrier's own back-office system.

Ruschlikon Users



Challenge

Global carriers/brokers with existing Ruschlikon to Ruschlikon relationship already benefit from some features of the Global Platform. But where participants do not have ACORD standard messaging, this creates multiple different processes and inefficiencies

Solution

Global Digital Platform gives

- Ruschlikon messaging across all broker/carriers (i.e. non-Ruschlikon too)
- Fast direct settlement (optional aggregation)
- Flexible payment destinations - claimant, insured, expert or broker
- Interactive real-time chat function - quicker query resolution
- Centralised documentation storage/full audit trail
- Self-serve MI via portal

Get in touch

Speak to us today, or email us to arrange:

- Walkthrough of the Global Digital Platform capabilities
- Demo of the Global Digital Platform
- Explore the benefits of the Global Digital Platform for your organisation



Anne Pearsall
apearsall@dxc.com



Martin Kelsh
Martin.Kelsh@dxc.com



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Open market placement and premium



Steve Hicks

Deputy Market Transformation Director, Lloyd's



Ruan Ebersohn

Program Director, DXC Technology

The five sequences of the digital processing build



Foundational capability
- December 2022

1

Set of foundational components that will be used across services / future phases of delivery



Global Premium & Claims service
- January 2023

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Global specialty insurance service to manage premium movement and claims orchestration for singleton non-complex business



London Market Premium & Claims service - March 2024

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London market service to manage premium movement and claims orchestration for Lloyd's and company open market syndicated business



Delegated Authority Premium & Claims service - March 2024

4

London market service expanded to handle delegated authority premium and claims submissions



Gateway Risk service
- June 2024

5

Supports London open market placement through ingestion of Core Data Record, incl. data validation, augmentation and notifications

Challenges in the market across placement & premium



Brokers & Carriers re-keying information utilising offshore teams - No single version of the core risk information



Legacy infrastructure means significant change cycles



>25% failure rate of contracts submitted for processing



Processing typically takes 6-8 weeks to complete



Error handling is entirely manual with the bureau contacting broker back office functions by e-mail / phone



LPAN



MRC

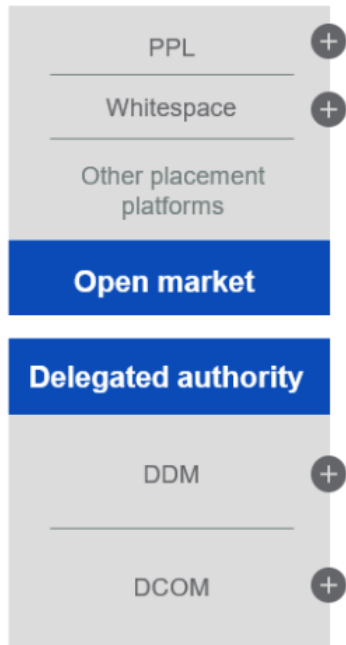
Documents relied on extensively for downstream processes (Premium Settlement, Claims FNOL etc)

Blueprint Two: what does it mean?

Right first time data



Core platforms

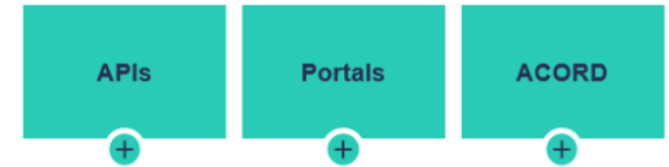


Digital processing solution
Enabled by the joint venture

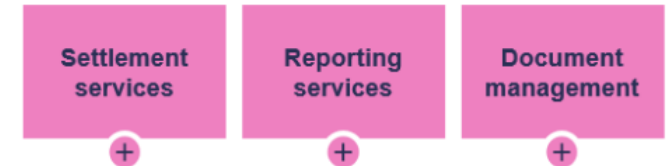
Digital Gateway



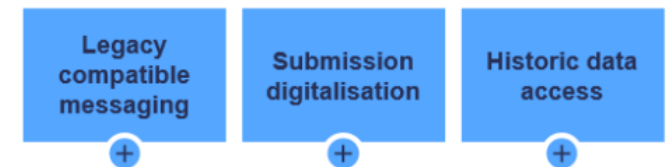
Channels



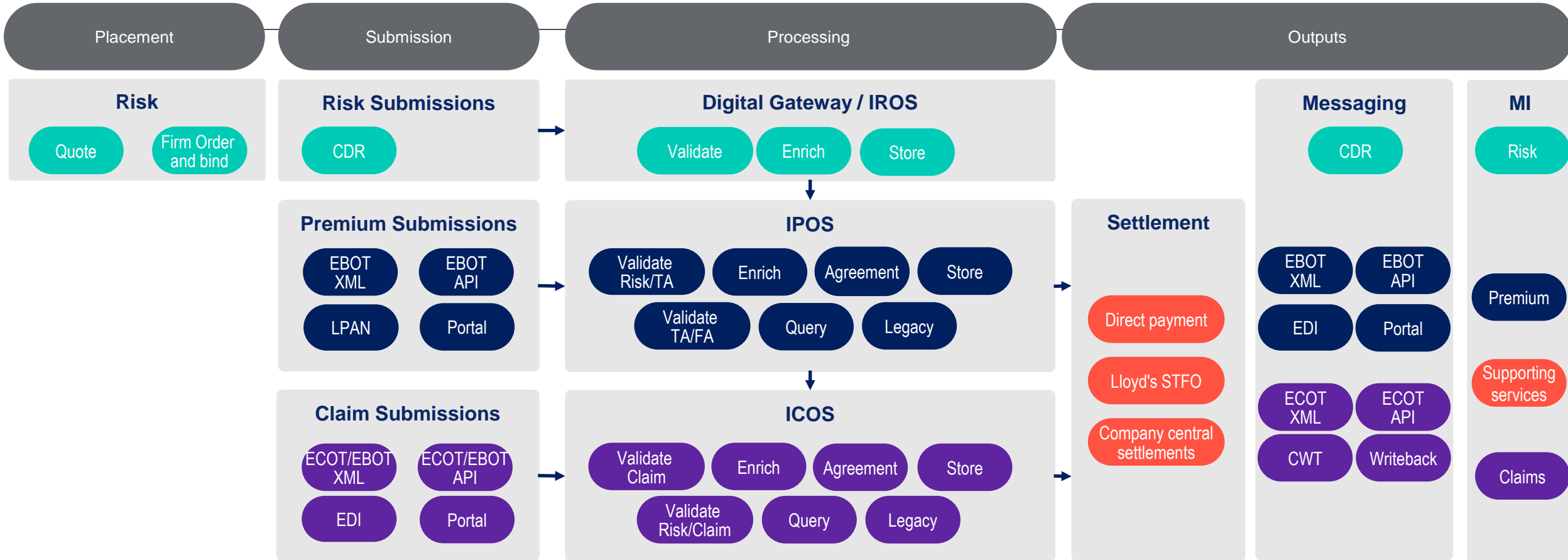
Support services



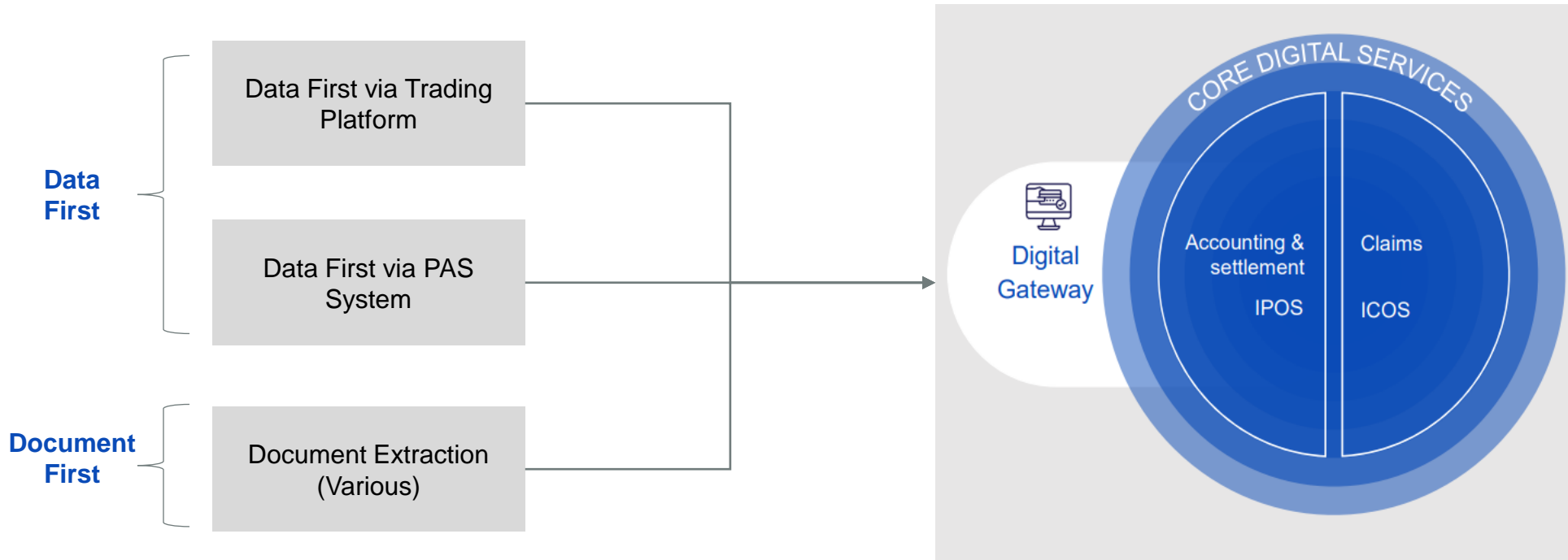
Transition services



The process



How will you assemble the CDR?



Many vendors are progressing plans to evolve their platforms to support the CDR

Process, roles and responsibilities consultation

1 What are the CDR submission points throughout the placement journey?

2 What is a soft call?

3 When does a complete CDR need to be provided?

4 What is 'B field' enrichment?

5 What is the process for Gateway validation errors?

6 What is the process for amendments?

How to get involved

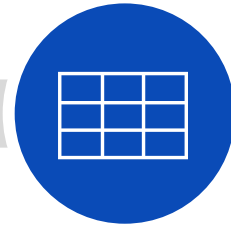
Go to the PRR
consultation
website



Read through
the Placement
Themes Pack



Take a look at the
CDR Assembly
Table



Provide your feedback by
completing the questionnaire
by the 3 March



www.limoss.london/prrconsultation



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Breakout session: Placement & premium products



Jay Mehta

Premiums Product Owner, London Market Joint Ventures



Ed Croker

Gateway Product Owner, Lloyd's

Digital Gateway connects the Placement and Premium Journeys

Inputs from
Placement Journey

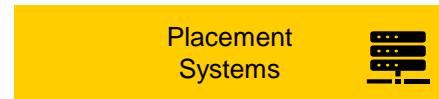
JV Digital Processing
Service – Gateway/Risk

1. Ingest
2. Validate
3. Enrich
4. Store
5. Report

Outputs to
Premium & Claims Journeys

Digital Gateway connects the Placement and Premium Journeys

Inputs from Placement Journey



CDR + document
attachments

JV Digital Processing
Service – Gateway/Risk

1. Ingest
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Outputs to Premium & Claims Journeys

General roles of Placement systems:

- **Collate CDR data and manage its approval** (e.g. directly from users, extraction from documents...)
- **Manage workflow between contract participants** in the overall placement journey
- **Submission to Digital Gateway** at defined points in the placement process (including optional 'soft checks')

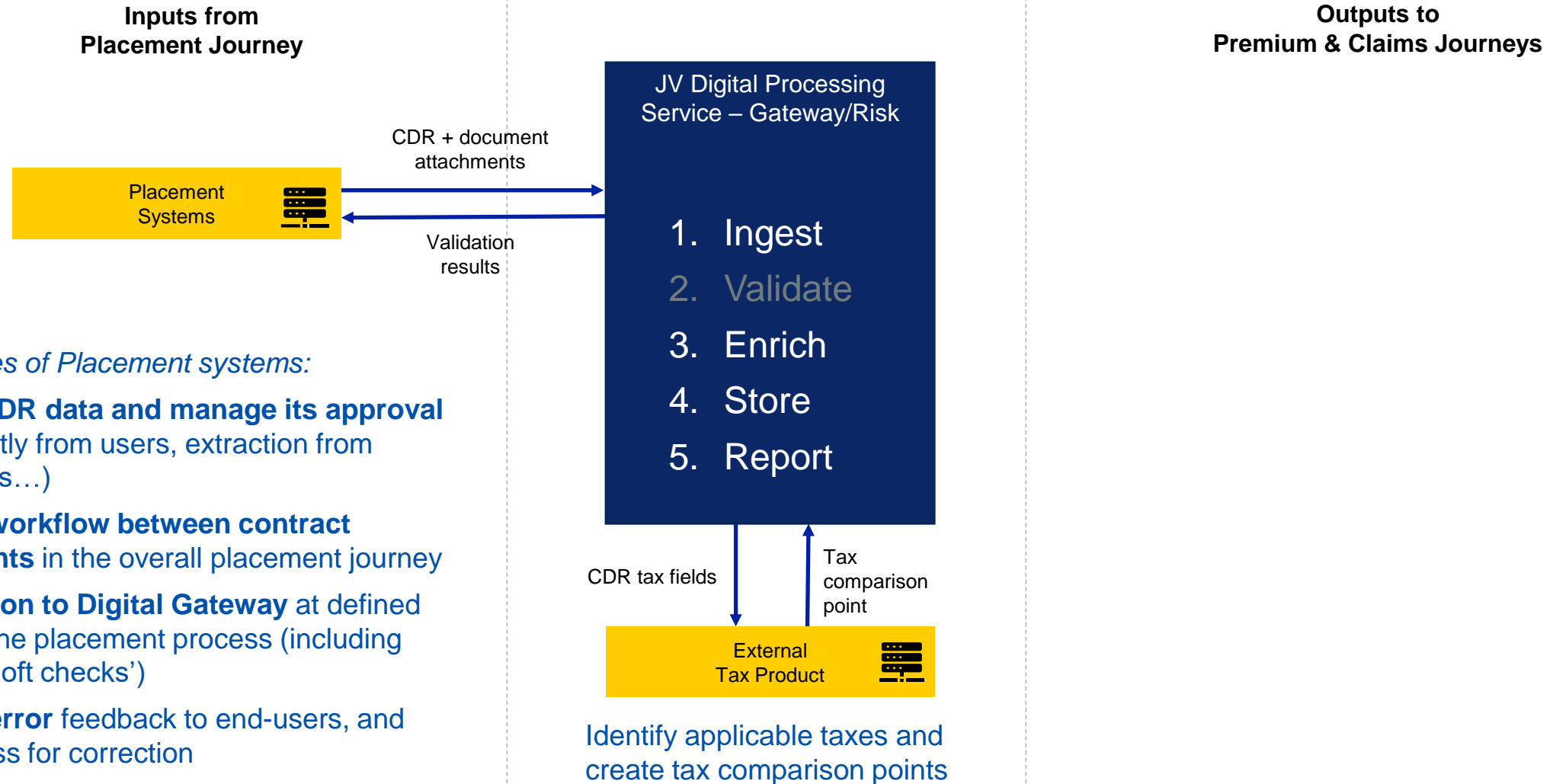
Digital Gateway connects the Placement and Premium Journeys



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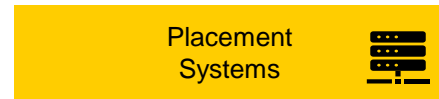


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Digital Gateway connects the Placement and Premium Journeys

Inputs from Placement Journey



CDR + document attachments

Validation results

JV Digital Processing Service – Gateway/Risk

1. Ingest
2. Validate
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5. Report

CDR tax fields

Tax comparison point

External Tax Product

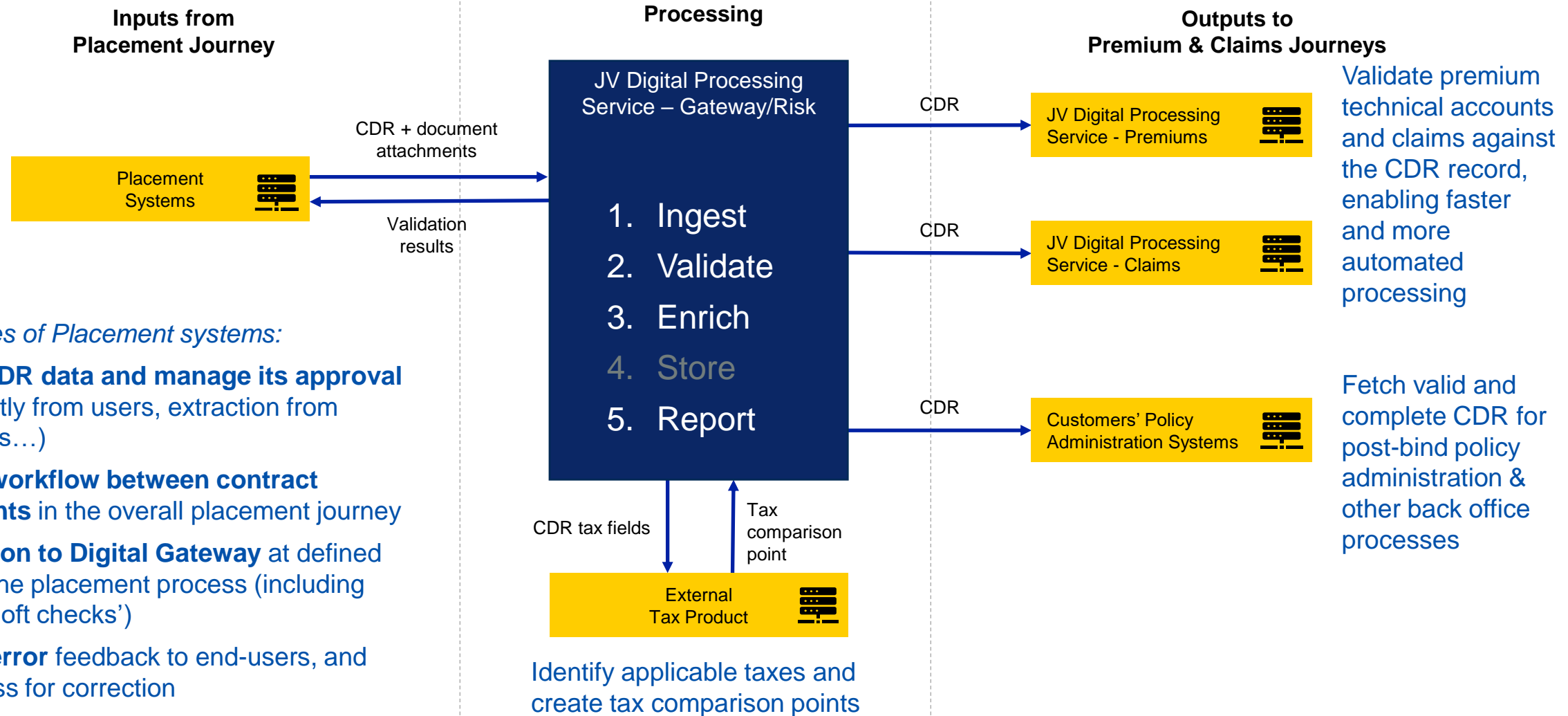
Identify applicable taxes and create tax comparison points

Outputs to Premium & Claims Journeys

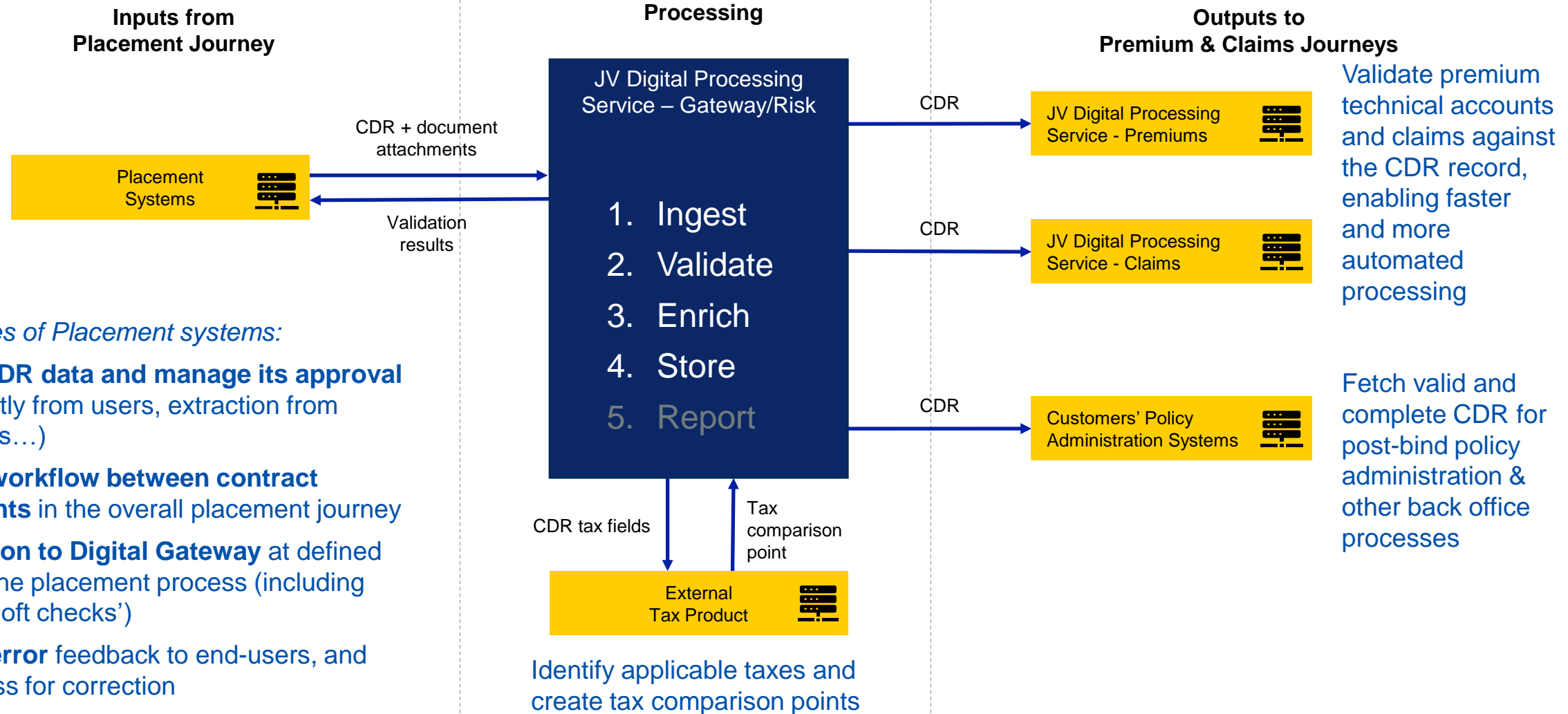
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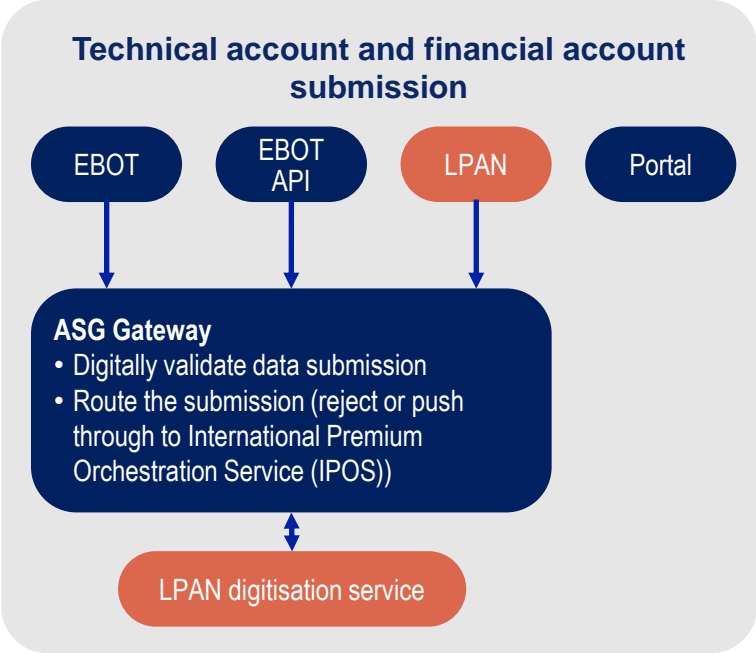
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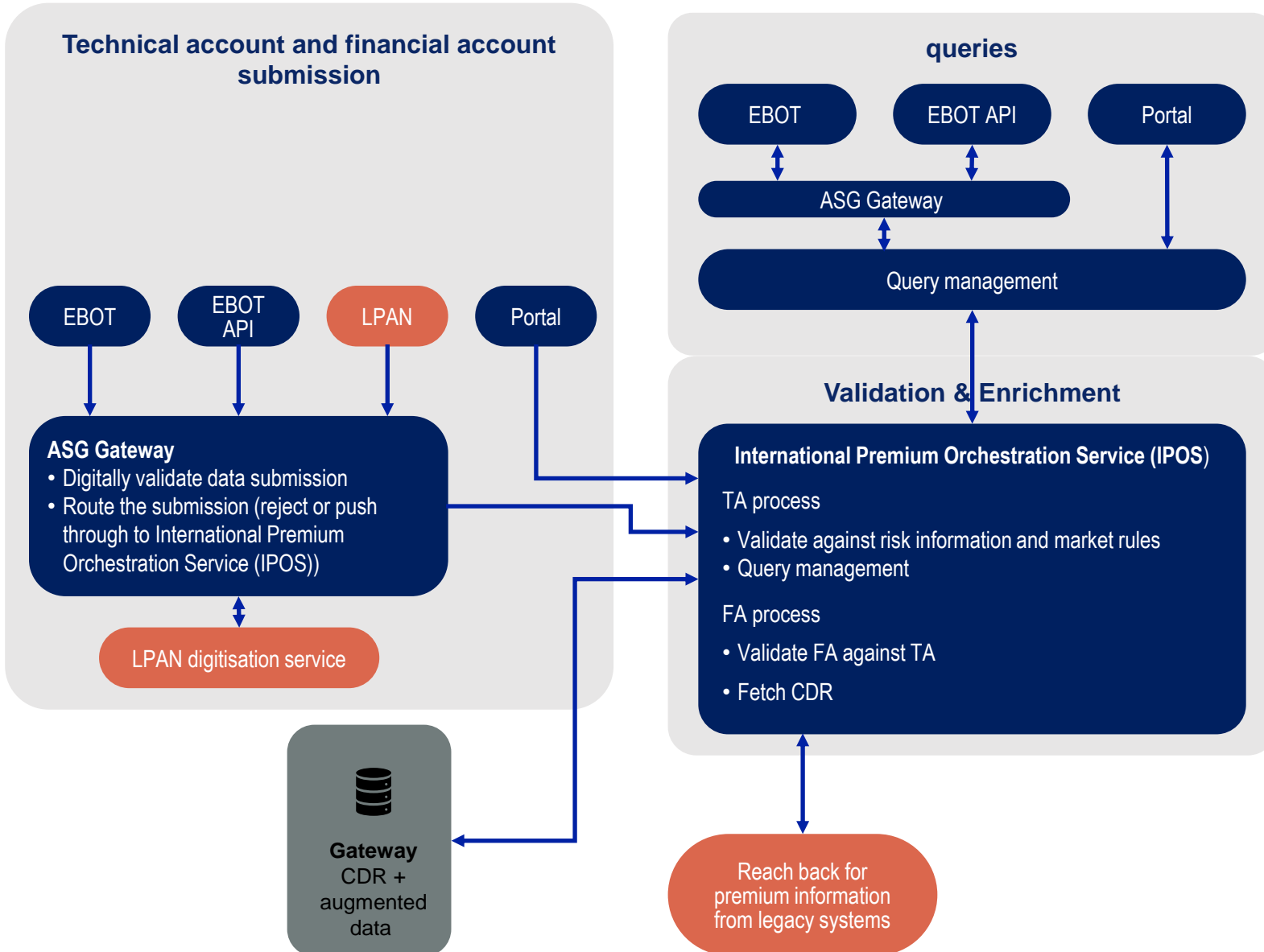
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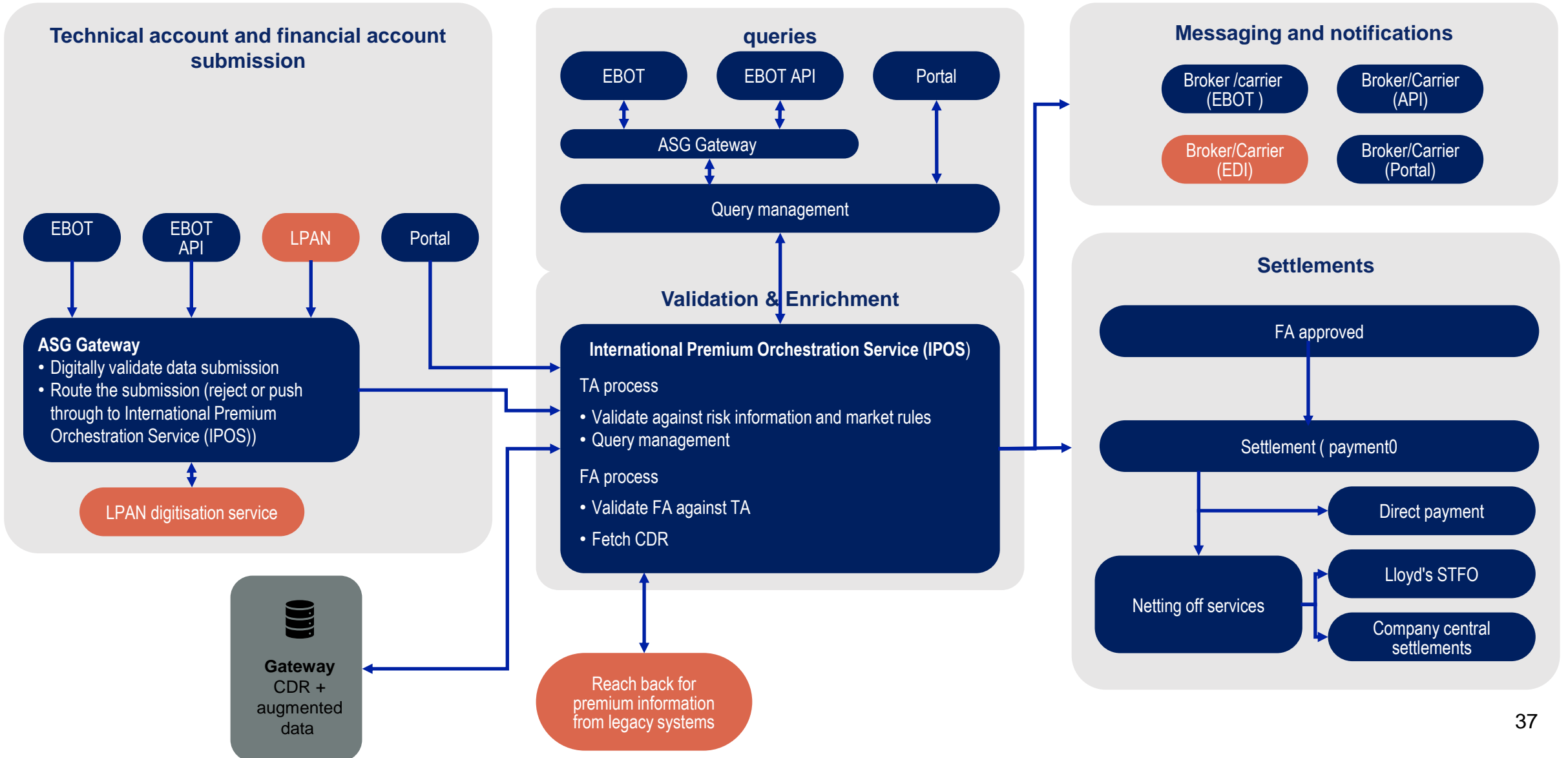
Premiums Customer Journey



Premiums Customer Journey



Premiums Customer Journey



High-level customer benefits: Digital Gateway

<i>Benefit</i>	<i>So what?</i>
<p>Enables 'left shift' of validations in the Placement process:</p> <ul style="list-style-type: none"> • Earlier identification of issues • Reduces queries during the A&S process • Improved contract quality/data accuracy 	<ul style="list-style-type: none"> • Reduced effort in query management / issue resolution • Less handoffs - faster processing • Reduced exposure to contract certainty issues
<p>CDR supports greater downstream automation (e.g. A&S, Claims and participant back office)</p>	<ul style="list-style-type: none"> • Simpler, faster, cheaper downstream processing
<p>Improved participant/vendor integration opportunities</p>	<ul style="list-style-type: none"> • Reduced participant rekeying • Greater opportunity for innovation
<p>Standardised flexible risk data capture, earlier in the process</p>	<ul style="list-style-type: none"> • Improved consistency with industry processes – simpler for global participants • Opportunity for new data insights and earlier reporting • Greater ability to meet evolving regulatory and tax needs

High-level customer benefits: premiums

<i>Benefit</i>	<i>So what?</i>
Reduced reconciliation issues due to automation of enrichment activities during premium processing	Better data quality; increased efficiency for brokers / carriers
EBOT Brokers no longer complete LPANs or create accounting splits for tax / regulatory reporting	Reduced broker effort
Enable automation of accounting checks due to availability of risk data in digital form via the CDR	Improved service
Fewer queries due to consumption of digitized data during validation and enrichment	Faster premium payments
Queries routed to correct party for resolution (For e.g., risk code queries to carrier)	Improved service
No more end-of-day batches due to mainframe constraints, transactional processes completed in real time.	Faster processing, live

High-level customer benefits

<i>Benefit</i>	<i>So what?</i>
Modern cloud-based technology stack with better availability, security, support, and performance. Improved operational resilience and removal of many standing legacy issues	Less down-time, less operational and security risks
Single system for Lloyd's, the Company Market, and the global market. One gateway, one portal, one provider of services	Cheaper operations, one system
Better change agility and speed of implementation of new future central services, as a result of cloud-based business modular services vs monolithic end-of-life infrastructure	Cheaper and faster upgrades in the future, so we can adapt quicker to the Market's future needs
Single global standard (ACORD) used across London Market and global markets, opening options to reduce or remove London Market-specific systems and processes	Cheaper operations, one system
Brand new product functionality for all: new REST APIs, new portals, new multi-channel centralised queries, new analytics and reporting suite	More functionality, better service
Brand new product functionality for carriers: ACORD messaging	More functionality, better service



Any questions?



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Breakout session: claims products



Sian Keeble

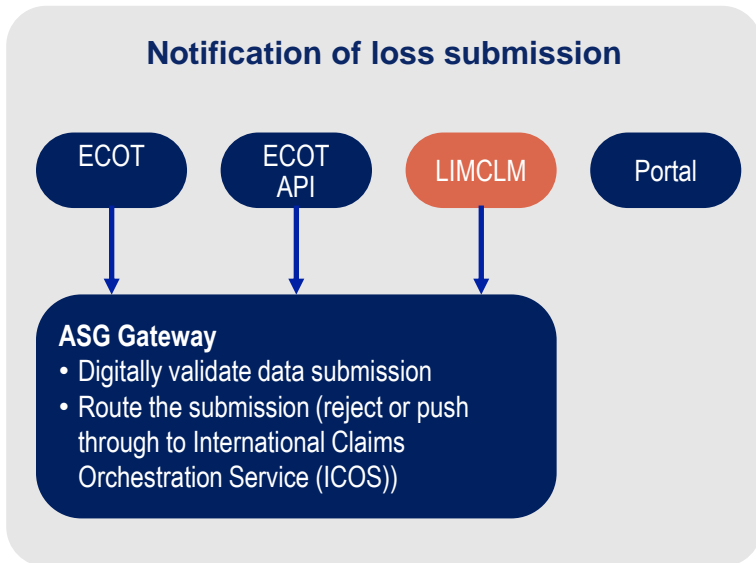
Product Manager, London Market Joint Ventures



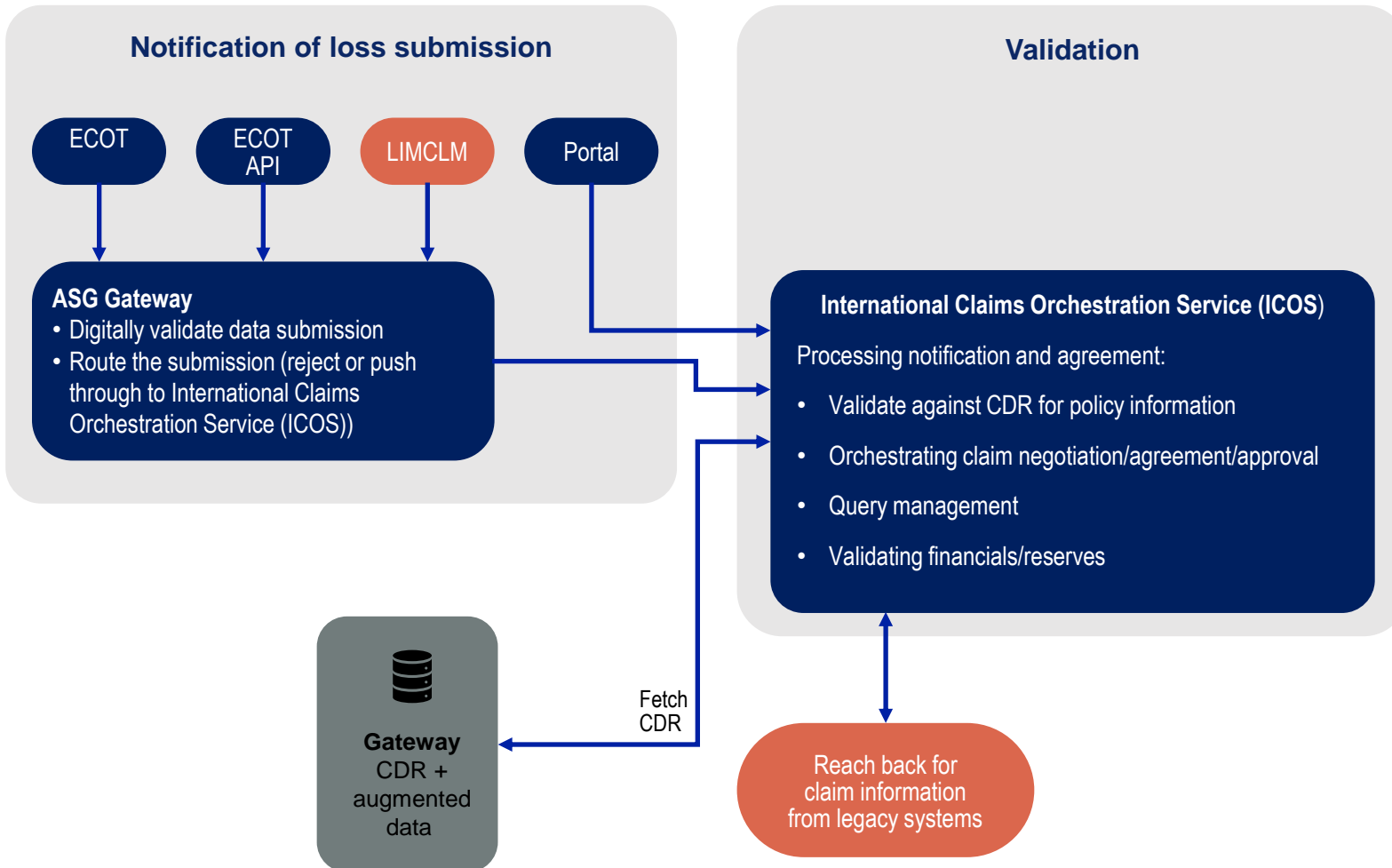
Rich Boyd

Head of Digital Claims, Lloyd's

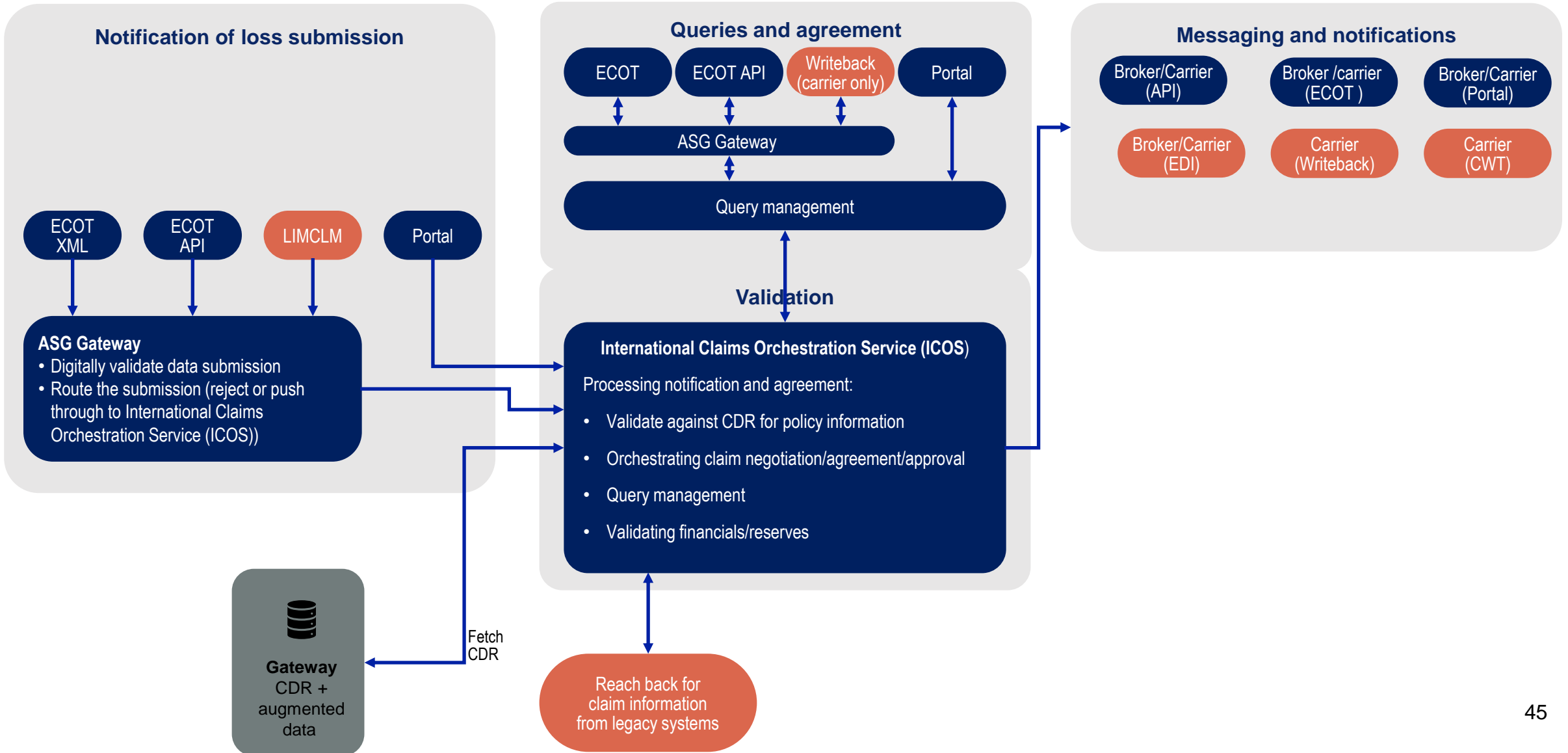
Claim Notification and Agreement: Customer Journey



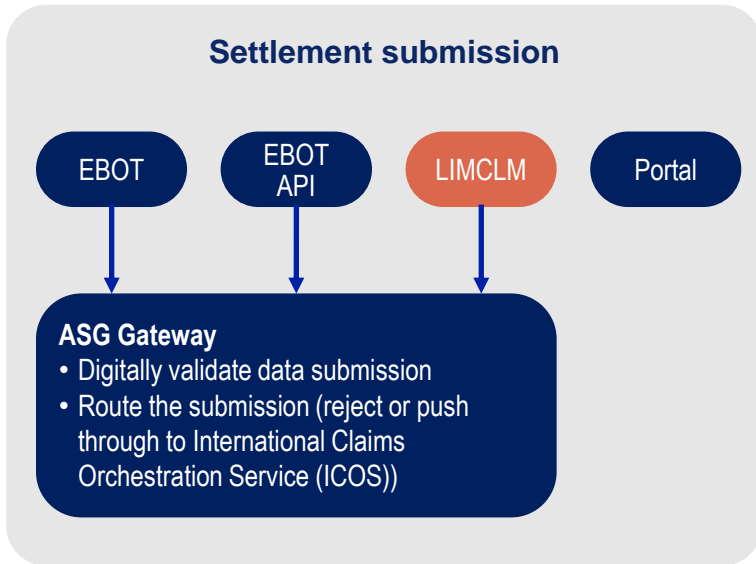
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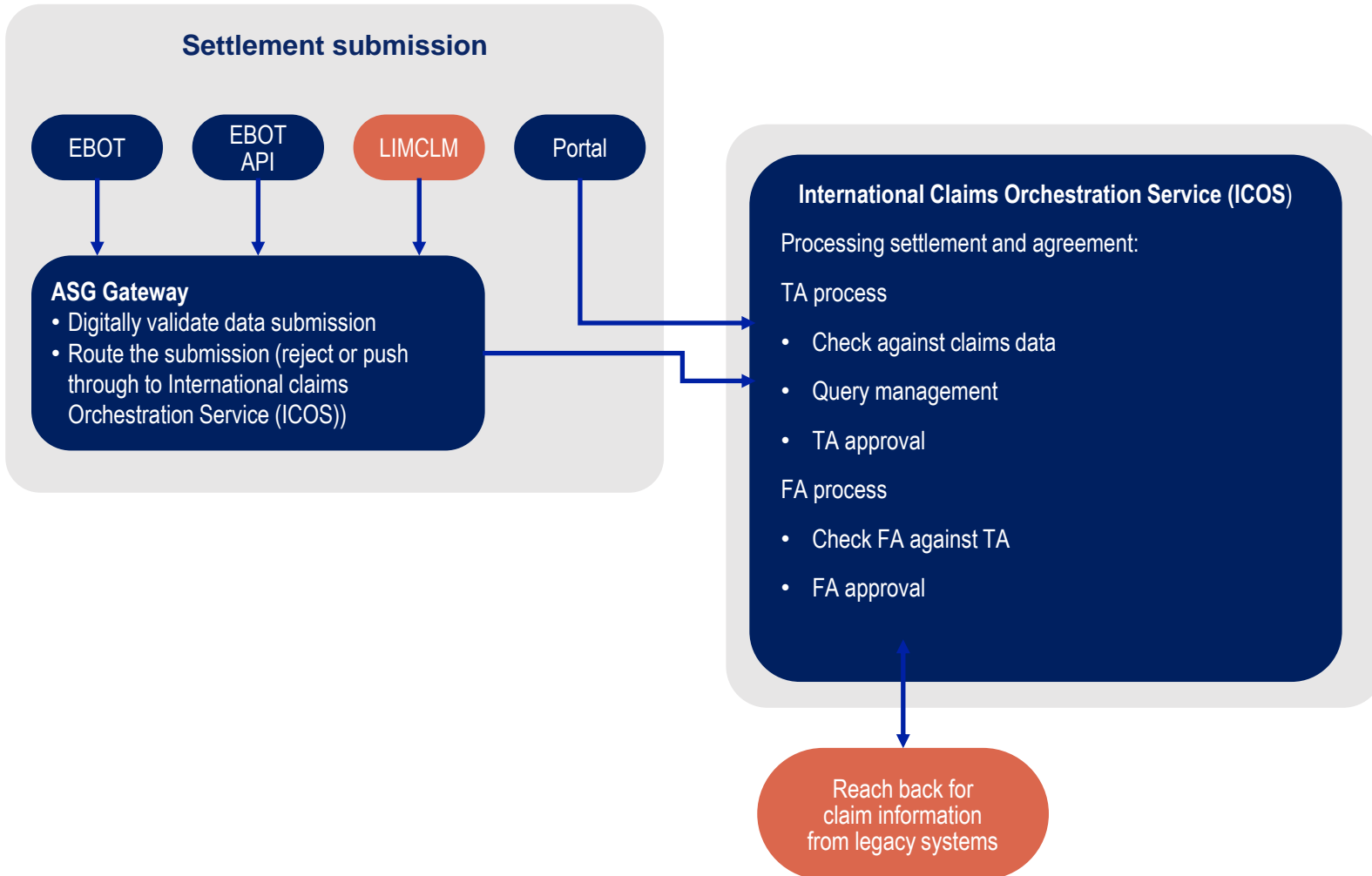
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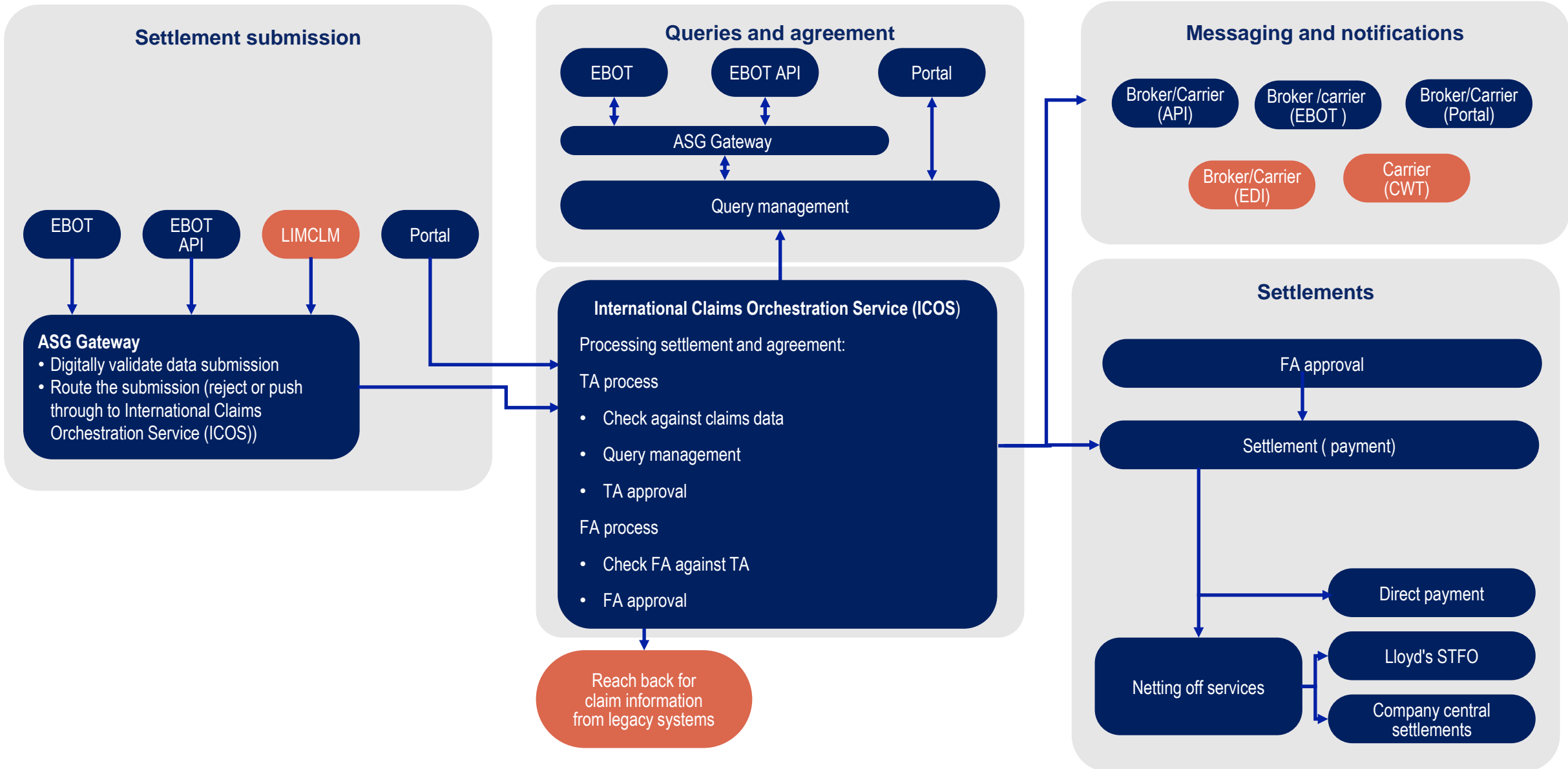
Claim Settlement and Agreement: Customer Journey



Claim Settlement and Agreement: Customer Journey



Claim Settlement and Agreement: Customer Journey



High-level customer benefits

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Brand new product functionality for carriers: ACORD messaging	More functionality, better service

High-level customer benefits: claims specific

<i>Benefit</i>	<i>So what?</i>
Parallel processing of queries and settlements, you can have 100s of queries/settlements open at the same time and in process, agreed independently	Faster processing
No more parallel UCRs for fees	Simpler service, better
No more max 3 currencies per claim	More flexible service, better
Direct payments to any 3rd party, including insured, 3rd party claimants, experts, lawyers, expenses...	More functionality, better service
Vitesse payments, fast (5mins major currencies, 2hr others) and in over 100 currencies (no longer constrained to 14 central currencies)	Faster claim payment



Any questions?



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Submit your questions:
www.blueprint-2.com/contact/question-tool





Refreshment break



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Please join us for networking drinks