Oracle Insurance Policy Administration Solution for Life Insurance

In the life insurance industry, getting ahead requires perfect conditions: a constant flow of customers, effective agents, innovative and compliant products, and much more. Cultivating those conditions is nearly impossible with legacy policy administration systems. What if you could accelerate product development in a fraction of your current timeframe using a single system? What if you could use that same system to enhance the way you service your customers and distributors? You can with the insurance industry’s best-in-class policy administration system.

Ultimate Flexibility for Business Agility

Oracle Insurance Policy Administration (OIPA) is a rules-driven system that supports every stage of life, annuity and group insurance, including underwriting, contract changes, claims, and more. With Oracle’s solution, you make the important decisions and your system enforces them. You customize the experience you want for your business users and customers at every stage of the policy lifecycle.

Unlike other insurance systems, OIPA enables you to easily define your rules, and create and modify products without changing the base code. Managing rules configuration no longer needs the technical expertise of a programmer.

Other policy administration systems like code generators and parameter-based solutions offer limited options and ultimately slow things down. They either require you to program changes in the source code or pose constraints based on their defined parameters. OIPA’s browser-based functionality makes the system easy to learn for both business users and IT users.

Smart Rules Architecture

“Since its inception, Oracle Insurance Policy Administration has offered the market not only modern technology but also new ways of thinking about old problems.”

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**KEY BENEFITS**

- Bring new products to market faster through collaborative product development
- Leverage a single system to support multiple lines of business
- Cut operational costs by configuring business rules without changing your source code
- Increase product development flexibility using configurable business rules
- Support compliance through detailed audit trail of every transaction
- Enhance sales channels and ability to service customers through real-time access to policy data
- Rapidly scale up or down to support evolving business needs
- Leverage deep domain and technical expertise of Oracle Insurance team

**KEY FEATURES**

- Highly flexible, rules-based engine to support configuration, separate from source code.
- Prebuilt life insurance templates for faster product development
- User-friendly rules palette lets you drag and drop to configure business rules
- Product cloning capabilities enable users to reuse rules and components
- Calculation engine and integrated debugger validates calculations and formulas for reuse
- Full traceability of data with comprehensive audit trail
- Able to handle large volumes up to 100 million policies
- Release management tool provides visibility and control of rules migrations and standards
- Multilanguage and multicurrency functionality to comply with localization requirements
- Web-based access to policy in real time

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**Fuel Product Innovation through a Single Platform**

Key demographic groups like millennials and young couples with children are emerging as prime targets for the life insurance industry. Additionally, many aging seniors still remain unprepared without life insurance. Now is the time to create new life insurance products that appeal to each of these segments.

Because Oracle Insurance Policy Administration is a single platform for life, annuity, and group products, the system enables more effective collaboration among your different users. Those involved in the product configuration process—i.e., actuaries, compliance officers, business analysts, and others—can work more effectively to combine features of existing products. They can create or change products with extremely specific features, drilling down to the most intricate levels, without worrying about system limitations.

**Speed Time to Market**

Consider the impact of slashing three to six months off your product development cycle. How much new business could you attract before your competitors launch a similar product? How much would you save in administrative costs? On average, insurers that use Oracle Insurance Policy Administration cut their product development timeframe by one-third.

Oracle Insurance Policy Administration Solution for Life Insurance comes with prebuilt product templates for common life insurance products and prebuilt components for features specific to life insurance, giving users a jumpstart in product development. You never have to start from scratch because OIPA offers many user-friendly options: share business rules across the lifecycle, clone products, and copy plans. Whether you need to manipulate detailed components or implement a blanket rule over multiple items, OIPA gives you the flexibility you need to bring your life insurance product to market faster than ever.

**Conquer Life Insurance Complexities**

The leading insurance companies worldwide use Oracle Insurance Policy Administration across multiple lines of business. A majority of those are life insurers with specific requirements and product variations among traditional term, whole life, universal, joint products, and more.

Here are a few of the most popular life insurance features:

- **Dynamic quote capability.** Customer service representatives are prepared to resolve “what if” scenarios through the system’s dynamic quoting capability. For example, suppose a policy owner requests a face decrease, but that request would result in a release of taxable funds. The policyholder might ask, “How much can I reduce my face amount without releasing those funds?” OIPA can generate real-time quotes to accommodate the largest possible decrease that avoids the release.

- **Multiple commutations per transaction.** OIPA transactions allow more than one set of commutation functions per OIPA transaction. Users may use a special command to invoke a new set of commutation functions.
LIFE PRODUCTS AND RIDERS IN PRODUCTION ON ORACLE INSURANCE POLICY ADMINISTRATION

- Term (Guaranteed Level, Annual Renewable) - Individual
- Term with Cash Value, Term with Return of Premium - Individual
- Whole Life with Lifetime Protection – Individual
- Whole Life with Flex Term Rider - Individual
- Indexed Universal Life - Individual
- Universal Life with Secondary Guarantees
- Variable Universal Life – Individual
- Hybrid Indexed/Variable Universal Life – Individual
- Universal Life with Tiered Interest - Individual
- Endowments - Individual
- Survivorship - Individual
- Unit Linked - Individual
- Term Life Rider - Individual
- Spouse Rider
- One Year Term Rider
- Child Term Rider
- Accidental Death and Dismemberment
- Accelerated Death Benefit Rider
- Universal Life with Cash Back Option – Individual
- Flex Term Life Rider – Individual
- Surrender Value Enhancement (COLI/BOLI)
- Early Values Agreement (COLI/BOLI)
- Business Continuation Rider (for Buy-Sell Agreements)
- Guaranteed Insurability Rider
- Guaranteed Income Benefit

- **Review past activities and calculations.** Users can easily cycle back through earlier activities in chronological order to recalculate or simply review past transactions.

- **Tax compliance.** The system’s commutation functions generate and present the global DEFRA and TAMRA actuarial formulas used for base segments and qualified additional benefits. All OIPA transactions and business rules share a common DEFRA and TAMRA data set.

**Drag and Drop to Create Business Rules**

Designing first-rate customer experiences starts by giving your customer service representatives the right tools. Oracle Insurance Policy Administration’s Rules Palette is a visual configuration tool that enables you to define and customize your rules with easy drag and drop functionality. You can add your unique requirements to your rule sets, optimize user interfaces, or simply decrease the number of user interfaces—all without knowing XML or having a programmer’s technical expertise.

**The Rules Palette**

The Rules Palette comes with many built-in tools including:

- **Data dictionary.** Configure math variables and fields for your products and keep naming conventions consistent when cloning products

- **Debugger.** Debug, fix, and retest your mathematical calculations within the palette before moving to the next environment
“Oracle’s talent for enterprise application development and support is strongly evident in the transformation of the Oracle Insurance Policy Administration solution. Most evident is the expansion of features, particularly across the policy lifecycle category that displays Oracle’s ability to listen to the insurance market and respond effectively.”

CEB TOWERGROUP

**Equipped for Compliance**

A documented audit trail can be extremely useful to comply with market conduct audits. Oracle Insurance Policy Administration Solution for Life Insurance stores all transactions, including reversals, and provides full traceability of that data. Security access is both role-based and defined by configuration, automatically recording check-ins and check-outs associated with each transaction.

**Cost Savings All Around**

Oracle Insurance Policy Administration enables life insurers to reduce costs in multiple ways:

- Eliminate the unsustainable maintenance costs of legacy systems by consolidating multiple existing systems into one.
- Reserve your IT resources for more substantial technical work. Non-technical staffers can easily make changes in OIPA without having to customize the source code.
- Straight-through processing eliminates errors, manual intervention, duplicative work, and delays.
- Go paperless and dramatically reduce your supply and postage expenses.

**Oracle’s Proven Track Record**

Oracle’s $350 million investment in core insurance applications continues to strengthen its insurance industry experience and implementation expertise. The world’s leading life insurance carriers rely on Oracle Insurance Policy Administration because it allows decision makers to adapt to changing market conditions and regulatory requirements.

Equip your organization with the most flexible and comprehensive system of its kind: Oracle Insurance Policy Administration. Prove to regulators that you’re following compliance requirements. Prove to your customers that you’re putting their needs first. And prove to your competitors that your company will lead the life insurance market.

**RELATED PRODUCTS**

- Oracle Documaker Enterprise Edition
- Oracle Business Intelligence Enterprise Edition
- Oracle Business Process Management

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For more information about Oracle solutions for insurance, visit oracle.com/insurance or call +1.800.735.6620 to speak to an Oracle representative.

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