

Opinion Exchange: Supporting Act

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The Independent Insurance Agents & Brokers of America's (IIABA) Agents Council for Technology (ACT) recently released a new statement on the need for more effective agent-company interfaces that will free agents for more productive client service and sales activities.

The paper, *The Need for More Effective Agent-Company Interfaces—A Call to Action*, outlines the opportunity the agency system has to make investments in standards and new technology to solidify its competitive position long term. It outlines growing agent concerns with the proliferation of proprietary company Web sites and prescribes specific steps companies, vendors, and agents should take to realize the benefits of real-time processing while eliminating inefficiencies.

According to ACT Chairman Edgar Higgins Jr., CPCU, this could be an historic opportunity to obtain new efficiencies.

“The need today to enter data and logons multiple times and to deal with significant variations in workflow company-by-company simply is inefficient. We ask companies and vendors to set the overall objective to implement the ACT vision,” Higgins noted. The ACT vision outlines how agents can interface in real-time with multiple companies using their agency management system or other integrating platforms where logons, passwords, and data flows between the systems are handled seamlessly in the background with the various systems interacting with each other.

The ACT vision is a challenge for vendors and companies. It urges companies and vendors to begin implementation of the ACORD XML standards now and to participate in efforts that will permit company systems and Web sites to interact automatically with agency-management systems. In this way, multiple-data entry is eliminated, logons are handled machine-to-machine in the background, and agents can follow the consistent workflow of the agency management system.

It is also a challenge for agency leaders who must be willing to make the necessary investments in their own technology to be positioned to take advantage of these new interfaces.

ACT recommends that companies, agents and vendors take four specific steps to improve agent-company interfaces:

1. Set the clear objective within each organization to participate in industry standards-based initiatives to achieve multiple company, real-time interfaces between agency management systems and companies and other agency partners;
2. Place priority on implementing the ACORD XML standards and real-time processing with business partners;
3. Improve agency efficiency when using company Web sites by streamlining logins and navigation, bridging as much data as possible from agency systems, and designing sites to be more intuitive; and
4. Focus on improving deficiencies with the current downloads of data to agents and improve agency understanding of effective download implementation.

The ACT vision is clear. What has been missing is the commitment and coordination to achieve it. The steps outlined in this statement present a specific path for companies that say they support the agency system.

The ACT statement is available at www.independentagent.com. •

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Workers compensation eligibility determinations that are reached in accordance with state law will not be impacted by regulations recently issued by the Department of Energy (DOE).

The regulations are intended to facilitate the filing of workers compensation claims by individuals suffering from illnesses related to exposure to toxic substances while employed at a nuclear-weapons production facility.

Fortunately, the Department has recognized it does not have the authority to override insurance contracts nor to eliminate defenses to claims that exist under state law, notes Bruce C. Wood, American Insurance Association assistant general counsel.

The Energy Employees Occupational Illness Compensation Program Act of 2000 established a federal program for compensating workers suffering from illnesses related to nuclear weapons production at DOE facilities. The Act provides federal compensation for medical treatment and a lump sum of \$150,000. Survivor benefits also are available. Eligibility determinations for the federal benefits are made by the Department of Labor. "Congress was careful not to preempt state workers' compensation laws in the final regulations," said Wood.

DOE contractors who have insured their workers compensation exposures have a contractual relationship with their insurer, not with DOE. The insurer is obligated, as a matter of contract law, to pay any claim when due and to defend against claims not considered to be valid. Neither DOE nor Congress can divest private parties of their contractual rights and obligations or their rights under state law.

EEOICPA was enacted in October, 2000, and the \$150,000 lump sum payments and complete medical coverage began July 31, 2001. The final regulations were published August 14 in the Federal Register with an effective date of September 13. •