

Rating with PolicyCenter 7.0

Guidewire PolicyCenter® continues to support the management of rating internally or via integration with an external rating engine. Guidewire customers are successfully leveraging these options in their PolicyCenter implementations. Consistent with Guidewire’s commitment to continuous improvement, PolicyCenter is delivering enhancements to the internal rating management capabilities in this release. PolicyCenter 7.0 includes rate table maintenance tools to ease the most common and frequent effort in maintaining rating.

Rate Table Maintenance Tools

PolicyCenter 7.0 provides a workbench to facilitate the management of rate factor tables via a flexible and dynamic user interface. The majority of rating maintenance work for insurers involves changes to rate tables:

- Changes to rates or other factors for a given class code, vehicle class, construction type, territory code, etc.
- New entries in rate tables for new coverages or new limit options
- New tables to define new factors to be used when enhancing the rating algorithm

The rate table maintenance tools enable business users to create and manage rate tables, with full version control support for rate tables via the creation of date-sensitive rate books via a web browser or in Microsoft Excel, making it far faster and easier to handle these common activities. Rating maintenance effort is reduced through tight integration with PolicyCenter’s product model, enabling business configured product specifications such as coverages, coverage terms, and lists of values to be directly re-used in rate tables. Re-usable and easily extensible rate table look-ups are included to facilitate building the rating algorithm. These tools also help manage the process of making changes, testing and approving them, and promoting changes to the production PolicyCenter environment. Rate data caching enables higher performance at run time. Key features include:

- **Table definition editor**—Web interface for quickly extending tables or defining entirely new rating tables, including many types of look-up parameters and rating factors.
- **Table editor**—Web interface for viewing and editing the contents of the rating table to edit rates or add entries for new coverages, limits, etc.
- **Microsoft Excel import/export**—For large scale changes to rating tables, users can export the table data to a spreadsheet, make changes using the powerful and familiar tools of Microsoft Excel, and load the results back into the system. This also allows insurers to leverage and easily convert rate table assets already in Microsoft Excel without re-keying.
- **Tight integration with product definitions**—Rate table columns can be linked to coverages, limits, etc. with an automatic understanding of what limit options, for example, are possible for a coverage when setting factors for each limit.
- **Rate books**—These define a set of rating tables (and versions of those tables) which will be managed as a group, including approval, testing, and promotion to production.

SUMMARY

- PolicyCenter can support rating internally or leverage an external rating engine.
- Guidewire continues to enhance the management of internal rating with PolicyCenter 7.0, delivering Rate Table Maintenance Tools to ease the most common and frequent effort in maintaining rating.

- **Table versioning and selection**—Availability logic defines which rate book and table versions apply for a given product, jurisdiction, effective date, underwriting company, etc., including allowing a policy to be rerated mid-term with a consistent set of rating tables, while putting in place new versions of those tables for later policies sharing the same effective date.
- **Approval and migration**—Tools for managing the lifecycle of rating changes, including capturing approvals, managing status, and migrating changes to test and production environments.
- **Run-time optimization**—Intelligent caching of rates and rating factors for high-performance rating calculations in a high-volume production environment.

Conclusion

Guidewire recognizes that insurers need options for rating with PolicyCenter. Some will want to leverage investments they have already made in a rating engine. For those insurers, PolicyCenter's support for integration with external rating engines is valuable, and Guidewire will continue to support this option. Alternatively, some insurers will prefer to have product configuration, rating, underwriting, and policy administration within a single unified platform. A single, integrated solution can lower the cost of maintaining systems (by eliminating the need for integration and reducing duplicate product definition) and can increase the speed at which product and rating changes can be made, tested, and put into the market. Recognizing this, Guidewire is committed to enhancing PolicyCenter's rating management capabilities.

About Guidewire PolicyCenter

Guidewire PolicyCenter is a flexible underwriting and policy administration system that enables property/casualty insurers to grow business profitably by improving efficiency, while responding with agility to market opportunities and enhancing relationships with agents and customers. Designed to support both commercial and personal lines, PolicyCenter streamlines insurers' front and back office processes, from new business submission and quoting through policy renewals. PolicyCenter is available as a standalone system or as part of Guidewire InsuranceSuite™, and can be integrated to an insurer's legacy systems or third party applications.

About Guidewire

Guidewire Software is a leading provider of flexible core systems that enable property/casualty insurers to deliver insurance the way they want to. Guidewire builds high quality software that consistently works as promised. Designed for maximum flexibility and scalability, Guidewire solutions give insurers the capability to deliver excellent service to policyholders and agents and increase market share—while lowering operating costs. Guidewire InsuranceSuite, consisting of Guidewire PolicyCenter, Guidewire BillingCenter®, and Guidewire ClaimCenter®, spans the entire insurance lifecycle—underwriting, policy administration, billing, and claims management. Guidewire is headquartered in San Mateo, California, with offices in Beijing, Dublin, Hong Kong, London, Munich, Paris, Sydney, Tokyo, and Toronto. For more information, visit www.guidewire.com.