



BUSINESS-DRIVEN INNOVATION

CASE STUDY

How One Life Insurance Carrier Accelerated Innovation by Implementing OIPA

November 2020



The following case study is based on one of Equisoft's clients. All of the names and telling details have been changed to preserve client privacy. It examines how one carrier implemented OIPA as part of a successful strategy to retire its Final Expense legacy back-office systems.

Retiring Final Expense Legacy Systems and Accelerating Innovation with an OIPA platform

Highshore Insurance needed to modernize its policy administration systems and consolidate its Final Expense business on a modern platform. They chose Equisoft to implement the OIPA solution and successfully migrate their data – enabling them to accelerate product innovation, retire legacy systems and reduce costs.





The Challenge

Highshore Insurance focuses on three main segments

- ▶ Home (mortgage and lender-placed solutions)
- ▶ Consumer protection (vehicle and electronics protection)
- ▶ Final Expense (pre-funded funeral insurance and annuity products)

As a global leader in pre-funded Final Expense solutions, Highshore undertook a strategy to modernize the technology supporting their Final Expense business. The overall objective was to improve customer experience, lower expenses and enable growth through innovation.

The program included two elements critical to achieving those objectives:

1. **IMPLEMENTATION** of a new, consolidated strategic policy admin platform
2. **DATA MIGRATION** of Final Expense products from existing, aging platforms

Company overview:

- ▶ Founded in 1892
- ▶ More than \$10 Billion annual revenue
- ▶ More than 14,000 employees

Highshore's legacy challenge

The current systems administering Highshore's Final Expense business had technical and architectural limitations that were creating significant business risk. The aging PAS infrastructure had been upgraded over the years with a number of 'bolt on' systems which enabled business to continue, but at the cost of creating data duplication and a lack of architectural standards. The different tech solutions that had been implemented had also increased support and development costs over the years.

In particular, Highshore faced a number of significant challenges:

UX challenges

- ▶ User interface was not-intuitive or easy to use – it still had old green screens with menu-based access to functions
- ▶ The PAS was fairly complex and difficult to learn – taking almost a year to train new staff

Code challenges

- ▶ Pre-2000 code was still in use. They anticipated this would create legacy Y2K problems in 2020 and again in 2030.
- ▶ While existing products could be administered, it was challenging to develop new products since all new requirements were hardcoded, and programs had a mix of code written for old programs, and new core products like Final Expense.

Data challenges

Due to the flat file structure of the old systems, there was a lot of redundant information (i.e. client profiles and addresses duplicated in many locations, rather than just one with links to products and policies.) Furthermore, there were no good Business Intelligence tools in place to facilitate easy access to the data.

- ▶ This was exacerbated by bolt-on systems which replicated data even further.
- ▶ The duplication increased storage costs, and also created the risk of data inaccuracy
- ▶ The complexity of the file system, which was unique to Highshore, didn't allow for a self-service model.



Objectives

Given all of those constraints, the need for PAS modernization at Highshore was clear. They needed to select and implement a new administration system to enable servicing new products as well as current generation products, including conversion off existing platforms.

Only by finding and implementing the right modern, PAS solution would they be able to meet their overall business objectives:

- ▶ Improve customer experience
- ▶ Lower expenses
- ▶ Facilitate long-term competitive advantage in the marketplace
- ▶ Enable growth through innovation to ensure business value from investment in IT
- ▶ Increase ease of system configuration (without needing code changes) to align with business goals and processes
- ▶ Be flexible enough to enable fulfillment of any future strategy or product development requirements because of changing market, consumer, regulatory or business needs



The Solution

Why Highshore chose OIPA as their PAS solution

Following an intensive selection process, Highshore selected the Oracle Insurance Policy Administration (OIPA) platform. The decision was made in part, because of OIPA's flexibility in a single, common rules engine.

In particular, Highshore was impressed by OIPA's:

Flexibility

The modular system would be able to call for company-specific logic and business rules without modifying existing application code. It would enable set-up and maintenance of external business rules and tables for rates, products and business process. And, it would have the flexibility to establish a variety of policy growth options.

Operational efficiencies

OIPA would give them the ability to cascade frequent policy changes – i.e. face amount changes, pay off times, etc. It supports a variety of commission payments at different levels. And its simplified interfaces would accept policy and premium feeds from distributors and other partners.

Business enablement

OIPA would support all final expense business on a single platform. It would accelerate speed-to-market because it's 100% rules driven, providing more agility without writing a single line of code from new business to policy admin.

The admin system could consolidate any and all lines of business on one platform, included business intelligence and reporting, as well as supporting the full product life cycle. Importantly, OIPA could work with any technology stack.



Equisoft proved to be the best OIPA integration partner choice

Having chosen the OIPA solution, Highshore then selected Equisoft as their partner for implementation, data migration and as the cloud service provider for the project. They felt confident in Equisoft, and recognized the benefits of engaging the largest, most successful global OIPA integrator:

- ▶ 80% share of global OIPA integrations
- ▶ 200+ dedicated OIPA resources
- ▶ 16 + years implementation experience
- ▶ 25+ active OIPA projects
- ▶ 100% OIPA success rate
- ▶ Proven track record of successful complex data migrations

The transformation of Highshore's PAS environment

The OIPA platform went live in 2020. The implementation included the stand-up of all new Final Expense products and the migration of data from the legacy systems.

- ▶ More than 150,000 policies have been migrated to OIPA
- ▶ 85,000 of those policies are active
- ▶ The implementation required no new code from new business to policy admin

- ▶ The new PAS supports the full policy lifecycle

OIPA has provided Highshore with the strategic value and benefits they were looking for when the project began. The organization was able to migrate the existing policies off their legacy systems and finally retire those platforms – and fully realize the reduction of resources and costs.

Because Highshore wanted to become autonomous as quickly as possible, Equisoft conducted training for their employees early in the project. Highshore's core team is now able to configure as needed.

The new PAS flexibility and business user configuration capabilities give them the opportunity to more quickly and easily make product changes as well as the ability to develop new products in response to market/regulatory/strategic evolutions.

With the launch of OIPA for their Final Expense products, Highshore successfully achieved their goal of both creating the potential for business growth, while reducing the resources and spend required to maintain their IT infrastructure.

To find out how Equisoft and OIPA can help you modernize your policy admin system, connect with us today.

Connect with us to learn more:

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See how [Equisoft & Oracle's Insurance Policy Administration System](#) can help.

About Equisoft

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