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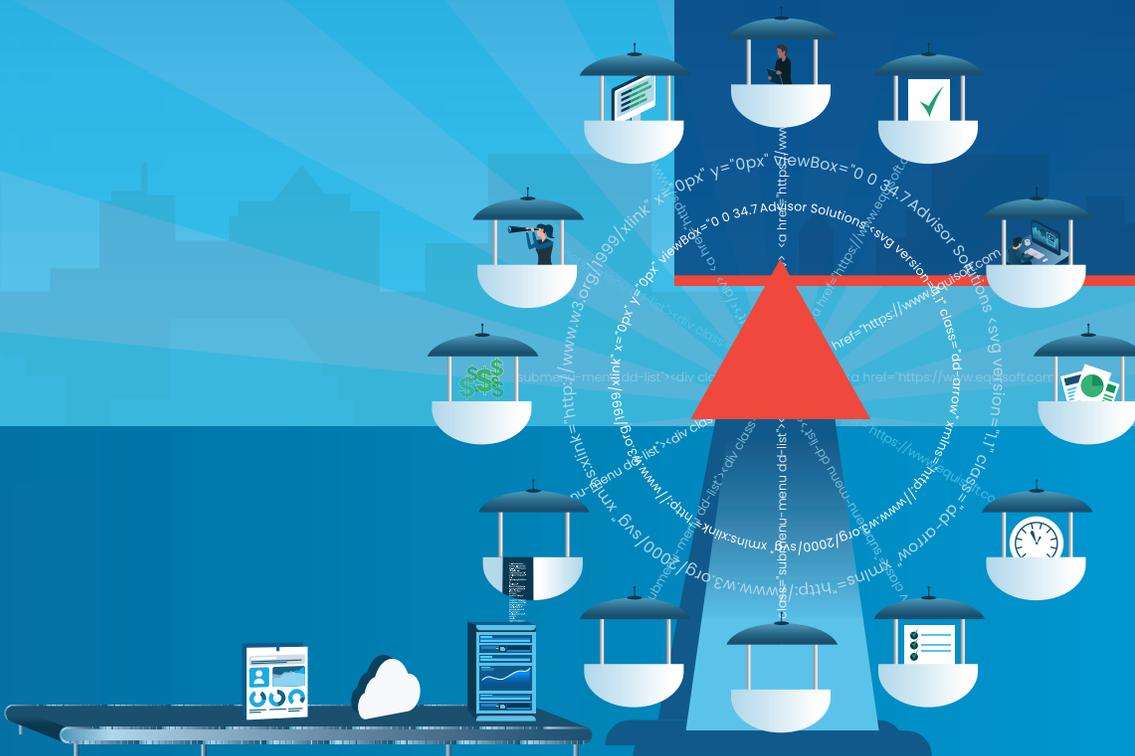
BUSINESS-DRIVEN INNOVATION

How a Modern Policy Admin Solution Transformed Columbian Financial Group

November 2020

The following case study is based on one of Equisoft's clients. It examines the impact that replacing a range of legacy systems with the single, comprehensive Oracle Insurance Policy Administration solution had, when it was implemented and fully integrated with one carrier's technology ecosystem.

Equisoft implementation services enabled CFG to replace their legacy core systems and accelerate product development

By the middle of 2017, senior executives including the President and CEO, CIO, and Chief Administrative Officer had decided CFG needed to completely overhaul its landscape of legacy policy administration systems, to consolidate, and fully modernize the legacy platforms into a single strategic platform.

The Challenge

Columbian Financial Group (CFG) is headquartered in Binghamton, NY and has been a provider of affordable protection through consumer-oriented products, superior service and management's commitment to financial stability since 1882.

CFG's growth created legacy system challenges

Columbian Financial Group's (CFG) IT infrastructure had grown over the two past decades as the company made a number of strategic acquisitions. While some of the original policy administration systems from these entities were retired via systems consolidation or the use of a third-party administrator, in 2017 CFG still had an excessive number of PAS solutions. This was costly and CFG decided to implement a new policy admin platform that had the potential to become a singular solution. This initiative became known internally as the ECLIPSE project.

The clock was also ticking for CFG. The CSO 2017 mortality tables (The first update to US mortality tables since 2001) required that CFG develop new, appropriately designed and priced products by 2020. And that required the launch of the new PAS.

Key Facts

▶ 4 legacy policy admin systems

▶ 700,00 policies resident on those legacy systems

CFG – Seeking to consolidate, modernize and become more nimble

CFG was looking for a strategic policy administration platform that would enable them to competitively administer a growing portfolio of business with a full set of straightforward life and annuity products. The goal was to achieve Consolidation, Modernization, and Flexibility in being able to add new products faster.

Specifically, CFG wanted to retire the older core systems that had proven cumbersome, required vendors to make code changes too often and, in some cases, had dwindling/retiring support.

Consolidating to a single modern PAS was also expected to lower total cost of ownership and maintenance.

Policy admin modernization presented a systems integration challenge

Implementing any replacement PAS system would require significant systems integration experience and expertise, given the complexity of the legacy landscape and CFG's overall IT infrastructure.

The company needed the new system to integrate with CFG's existing proprietary new business architecture and componentry. These systems included:

- ▶ Underwriting
- ▶ Accounting
- ▶ Actuarial
- ▶ Corporate support

Given CFG's size and IT skills, they were ideally looking for a modern system that would be easy to manage, configure and connect to both modern commercial off-the shelf-systems, plus those that CFG is continuing to develop on its own.

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The Solution

Equisoft's track record of successful OIPA integration makes it the best choice

In order to find the right partner and best solution, CFG engaged a consultant to conduct the RFP process and aid in vendor selection. A critical piece of the evaluation process was the completion of an evaluation study that would define how the vendor would meet CFG's requirements, what the roadmap would look like, as well as the costs involved.

OIPA and Equisoft emerged from the process as the clear winner:

▶ Equisoft continues to be the largest, most successful OIPA integrator in the world.

▶ Equisoft's team of more than 200 dedicated OIPA resources are responsible for 80% of all OIPA integrations globally.

▶ Confidence backed by Equisoft's 16+ years of implementation experience on 50+ life, annuity, health integration projects & data migrations around the globe.

▶ Most convincing was Equisoft's 100% OIPA implementation success rate.

The modernization plan

The PAS modernization project—ECLIPSE—was planned as a five-year, multi-phased program to implement, integrate and launch Equisoft/manage (which includes Oracle's Insurance Administration Platform (OIPA) and portal APIs) along with Equisoft/apply (eApplication and AppCapture).

▶ **Phase 1:** The goal was to bring in three CSO 2017 compliant products (Whole Life, Final Expense and Term products) and go live by the 4th quarter of 2019.

▶ **Phase 2:** Following that, the plan was to continue with the migration and retirement of CFG's legacy systems

Robust expertise and OIPA capabilities result in comprehensive integrations with a wide variety of internal and external systems

The implementation of OIPA at CFG presented significant integration challenges. One of the reasons Equisoft had been chosen as the vendor for this modernization, was the company's experience and expertise in integrating OIPA with other internal systems (underwriting, accounting, etc) as well as third-party platforms. As an Oracle Gold Partner and the first certified Oracle Insurance Policy Administration (OIPA) Specialized Integrator, Equisoft has had the most experience implementing OIPA with required surrounding integration points.

The Equisoft implementation team lent its insurance-specific expertise in systems integration, as well as a proven methodology grounded in the experience gained as one of the first and most trusted Oracle Insurance integrators.

Because of Equisoft's experience with implementation and integration projects, the company had developed solid expertise in related business areas such as process analysis, complex insurance products, and calculations.

This expertise included:

▶ Technical knowledge in electronic integration with external vendors

▶ Electronic application capture

▶ Automated rules processing

▶ Workflow integrations

▶ Document generation

▶ Data extractions and transformations

Equisoft would be able to help CFG take advantage of OIPA's flexibility and ability to integrate with any third-party vendor solution via web service and XML message. Because OIPA uses configurable transactions, which process at various times during the application or policy life cycle, it has been able to provide the necessary data and generate the trigger--to communicate with the workflow solution via a web service when tasks need to be generated.

THE SOLUTION

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The ECLIPSE project included the building of new integration points between OIPA and a suite of real-time services like:

- ▶ Address validation
- ▶ Bank routing
- ▶ Electronic Funds Transfer (EFT)
- ▶ Bank Return files
- ▶ eApplications and eSignatures (Equisoft/apply)
- ▶ Illustrations (Equisoft/illustrate)
- ▶ Email services/push event notifications

Critical to the success of the overall project and the achievement of CFG's goals, was the ability to integrate with a variety of third-party systems—all of which Equisoft had previous experience with. These integrations included a variety of companies and systems linked to the approval chain, such as:

- ▶ Milliman
- ▶ MIB
- ▶ TAI

Integrations were also completed for:

- ▶ Vignette for workflow
- ▶ ODS/Replication for downstream extracts and reporting
- ▶ Partners for an existing portal talking to OIPA via Equisoft Portal APIs.

Bottom line, Equisoft was best-suited to completing the required integrations effectively and quickly as the go-to market Insurance integrator for OIPA.

THE SOLUTION

✓ The Results

Equisoft's OIPA integration has been a success for CFG and its policy admin transformation

The successful launch of CFG's modern platform brought the improvements they were seeking from the outset.

Three new CSO 2017 compliant products were launched—WholeLife, SafeShield, and Final Expense.

The new system has enabled CFG to:

▶ Seamlessly improve the speed of workflows, thanks to integrations between OIPA, CFG solutions and other external systems

▶ Become self-sufficient in their development needs because of Equisoft's full training and mentoring for the internal team on configuration, integration and support

▶ Be more responsive to business needs

▶ Make product changes more quickly and enhance functionality easily without resorting to workarounds.

▶ Introduce new products to the market quickly

▶ Make more productive use of their time since day-to-day operations were easier

Phase one of ECLIPSE has successfully launched, and CFG is well on their way to achieving their key objectives of accelerating product development, making operations easier, reducing maintenance efforts and lowering their total cost of ownership.

To find out how Equisoft can help you with the implementation and integration of your OIPA modernization project, connect with us today.

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See how our OIPA Implementation Services can help.

About Equisoft

Founded in 1994, Equisoft is a global provider of advanced digital solutions in life insurance & wealth management. Recognized as a valued partner by over 50 of the world's leading financial institutions in 15 countries, Equisoft offers innovative front-end applications, extensive back-office services and unique data migration expertise. Equisoft is also Oracle's largest & most experienced integration partner for the Oracle Insurance Policy Administration platform.

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