

## IBM WebSphere Business Integration for Insurance

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### Highlights

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- **Lets you increase the scale of your business ... without proportionate increases in costs**
- **Offers prepackaged business process modules that help reduce claims processing costs**
- **Allows more effective integration with agent networks, allowing rapid return on investment (ROI) and reduced time to market**
- **Features prebuilt connectivity that can reduce the risks of new system integration projects**
- **Helps manage any merger and acquisition activity, handle channel re-intermediation and implement infrastructure improvements and updates**
- **Facilitates Web integration for improved customer relationship management (CRM) and allows streamlined transaction and claims processing**

For a company to survive and prosper in today's competitive and increasingly deregulated insurance industry, its resources must work together. The problems are plentiful, and few have simple solutions. Companies today need to write and support more policies, and they need to increase market share in a low-margin environment.

Also, because products are so similar, raising premiums could mean losing market share to competitors. There are other worrisome trends:

- *Companies need to expand globally and integrate mergers and acquisitions (M&As), because they need global M&A activity to build scale and market share. But with global M&A activity comes the problem of integrating disparate systems.*
- *Servicing claims is costly, and as companies try to expand their operations, the scale of the claims processing also increases.*

- *Because claims frequently are not processed quickly, both customers and agents suffer frustration. In a commoditized business with low margins, it often takes years before a company starts turning a profit on an individual customer. So customer loyalty is paramount ... but difficult to maintain.*
- *Life insurance companies need to communicate new products and pricing to the captive or independent agent networks upon whom they rely. However, they also need to build new channels—for instance, the Internet, which many non-life customers now use to research and buy insurance. It is difficult to build these new channels without angering the independent agent networks.*

### **Better business decisions with integrated data**

Companies today are writing too many unprofitable policies and paying out more in claims than they bring in from premiums. They need to microanalyze

their profitability by customer, product and channel. With integrated data, they can make better decisions about:

- *How to price policies*
- *Which customers are good risks for underwriting policies*
- *Which customers carry less-than-acceptable risk ... and whose policies should not be renewed*

The key: better information means better risk management. To manage the complexity, insurance industry leaders need a unified view of corporate data and processes, which can be achieved by integrating their packaged, custom and legacy applications. To do business with each other electronically, companies must develop and support systems and business processes that conform to industry standards. This is where WebSphere® Business Integration for Insurance can help:

- *Protect your existing investments – integration, not elimination*
- *Get more out of current applications*
- *Take advantage of WebSphere's proven scalability and performance*
- *Increase the flexibility of your existing systems to meet new customer needs*
- *Automate manual steps quickly within a process*
- *Streamline transaction and claims processes – for cost savings and competitive advantage*

- *Create a consistent, unified view of critical business information (such as customer and agent data) across different applications*
- *Link to agents and distribution networks faster*

### **Integration tailored to the insurance industry**

IBM WebSphere Business Integration for Insurance is a business offering designed to integrate applications and processes specific to the insurance industry. It helps to maximize flexibility and reduce costs and time to market. It's no wonder that leading companies select IBM WebSphere software as their corporate integration standard for both enterprise and e-business initiatives.

WebSphere Business Integration for Insurance can:

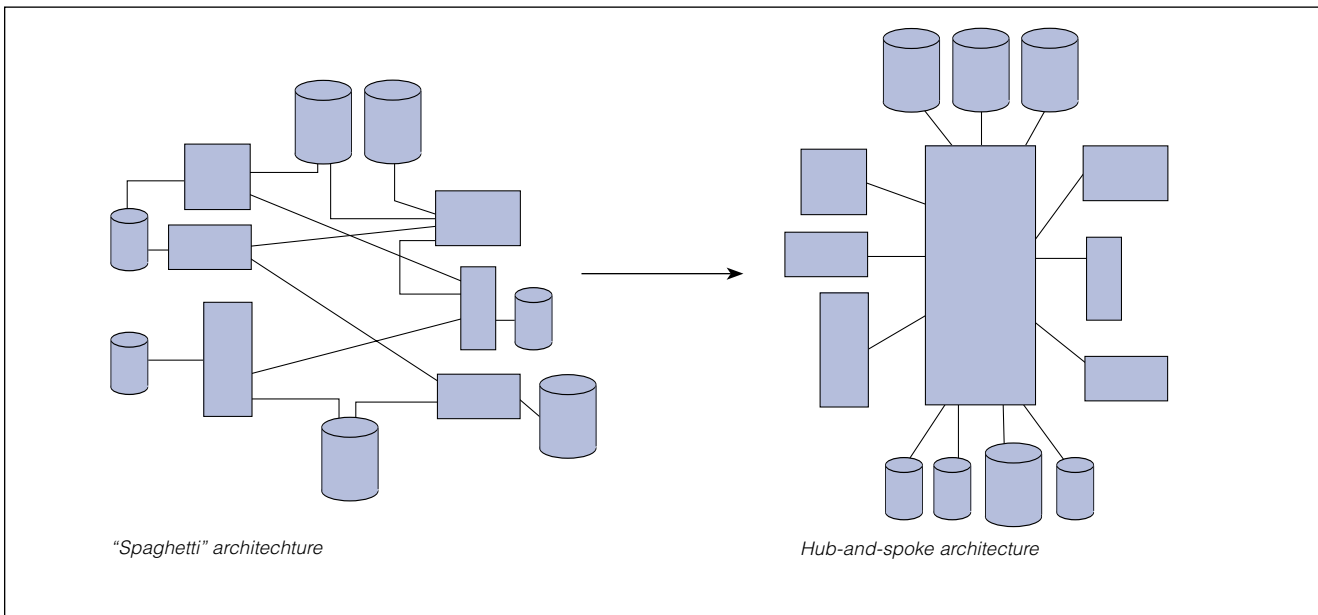
- *Reduce claims processing costs through its prepackaged business process modules*
- *Achieve rapid return on investment (ROI) and reduce time to market through better integration with agent networks*
- *Reduce the risks of new system integration projects through its prebuilt connectivity*

IBM WebSphere Business Integration for Insurance is based on the IBM CrossWorlds® InterChange Server

(ICS) technology, and includes WebSphere MQ, MQ Workflow and MQ Integrator Broker. Its prebuilt integration components enable swift integration at an extremely low cost. Additionally, IBM integration products are designed to work with industry-specific applications, data standards and business processes. This can translate into faster, easier and dramatically effective results from your integration projects. Consider the advantages that this process integration architecture offers:

- *The logical, distributed hub-and-spoke architecture provides rapidly scalable, Plug and Play integration*
- *The data and messaging format independence provides integration flexibility and can reduce system implementation and management costs*
- *Powerful, easy-to-use tools for data mapping, relationship management and process design enable WebSphere to provide highly flexible integration management*
- *Enterprise scalability, reliability, availability and performance meet mission-critical requirements*

Besides streamlining processes, this comprehensive solution reduces the risk inherent in deploying new applications. IBM WebSphere Business Integration allows for message transformation, message



The unique WebSphere "hub-and-spoke" design helps to integrate and streamline processes.

routing and guaranteed message delivery. It coordinates workflows for closed-loop and secure business processes. It allows companies to protect current investments in IBM middleware—and lets them integrate the solution with existing applications, rather than replacing them.

Because WebSphere is based on open standards, companies can accomplish integration more easily. Our solution also provides back-end and legacy integration for true business process management without having to write changes to existing data and application environments.

The components that comprise WebSphere Business Integration for Insurance are described below.

#### **Prebuilt solutions for seamless integration**

WebSphere Business Integration for Insurance contains prebuilt, insurance industry-specific solutions for business process automation. Application-independent collaborations (or integration modules) define end-to-end processes graphically and encapsulate basic integration and business rules for common business processes. All IBM CrossWorlds Collaborations use the IBM Common Object Model, a superset of data models used by widely deployed

packaged applications. These help reduce initial and ongoing maintenance costs. Additional advantages of prebuilt process modules include:

- *Business flows are typically configurable without coding*
- *Common rules and routing for information sharing are defined*
- *Predetermined default conditional flows and paths allow you to create data on the fly*
- *Data retrieval is definable from target systems or from other applications*
- *Error handling is built into the process at multiple points, enabling configurable notification (e-mail, pager, write to log)*

- *Best-practice functionality is provided right out of the box*

There are four insurance industry-specific Collaborations. These Collaborations help make the entire claims process transparent from start to finish, and help integrate insurers with their distribution channels. IBM CrossWorlds Insurance Collaborations help reduce overall development time and implementation, allowing insurers to reduce their costs.

- **IBM CrossWorlds Collaboration for Traditional Life Policy Addition**

*The IBM CrossWorlds Collaboration for Traditional Life Policy Addition provides insurers in the Life segment with a streamlined process for submitting a new life policy addition. It automates the steps in the business process activities, thus helping to reduce the time and cost of making a policy addition.*

- **IBM CrossWorlds Collaboration for Partial Withdrawal Surrender Quote**

*The IBM CrossWorlds Collaboration for Partial Withdrawal Surrender Quote gives insurers in the Life segment an automated process for submitting a partial surrender of value quote to an existing life policy. This automates the steps in the business process activities, and helps reduce the time and cost of adding a value quote.*

- **IBM CrossWorlds Collaboration for Homeowner First Loss**

*The IBM CrossWorlds Collaboration for Homeowner First Loss automates the steps in the submitted-claim process, affording insurance industry Non-Life property and casualty insurers with seamless management. IBM CrossWorlds Collaboration for Homeowner First Loss benefits include shorter claim processes that help to deliver better customer value, fewer errors and reduced costs.*

- **IBM CrossWorlds Collaboration for Personal Articles Coverage Quote**

*The IBM CrossWorlds Collaboration for Personal Articles Coverage Quote provides insurers in the Non-Life P&C segment with automated management of the business process to request a quote of personal effects coverage. In this self-service scenario, the end user can be a new or existing client. The Collaboration helps insurers deliver quicker quotes to customers, better manage existing customer relationships and provide faster service to new clients—resulting in increased revenue opportunities.*

### **Implementation support for Health Insurance Portability and Accountability Act Readiness**

Health insurers are seeking solutions that improve their bottom line through simplified data management and streamlined business processes.

The Health Insurance Portability and Accountability Act (HIPAA) mandates are accelerating the selection, adoption and implementation of solutions to achieve the minimum standards for integration.

IBM offers software and services that address HIPAA concerns and deliver improved results through an expeditious implementation of a proven, reusable and supportable integration topology. The solutions leverage mature IBM methodologies and experienced staff. IBM can work collaboratively with your existing employees or provide a total turnkey solution based on your specific needs and requirements.

The HIPAA solution software components include:

- *Trading Partner Interchange to establish a solid chain of trust for the exchange of transactions over multiple communication protocols*
- *WebSphere Data Interchange to accept and translate electronic data interchange (EDI) and proprietary formats*
- *InterChange Server to manage routing, process complex transactions, and institute any-to-any integration across legacy, Web and industry applications*
- *Static code set reference tables and dynamic run-time cross-reference tables*

The HIPAA solution includes:

- *HIPAA templates with reusable and easily extended and maintained data models*
- *Online support for the ANSI-compliant X12 EDI transactions*
- *HIPAA template and testing data-generation tools*
- *Batch, real-time and online EDI transaction capacity*
- *Prebuilt connections into several major front-end enterprise systems plus a host of technology connectors and adapters*
- *Functional acknowledgements with SNIP Level 5 data validation (HIPAA and standard code sets)*
- *A standards-based repository for the storage and management of long-running HIPAA transactions*
- *Consultative services for program management offices, assessments, solution design, implementation and remediation*

### **IBM CrossWorlds InterChange server**

The IBM CrossWorlds InterChange Server (ICS)—the foundation of the solution—is a scalable, reliable and secure environment for business integration with all the “nuts and bolts” functionality for business process automation. What does this mean for you? Simply stated, ICS offers mission-critical reliability and availability, enterprise-level scalability and performance, and centralized system

and configuration management.

Benefits of ICS include:

- *One centralized and common view of enterprise-wide data and processes*
- *A comprehensive set of technical services, including:*
  - *System management*
  - *Event management*
  - *Repository services*
  - *Error handling*
  - *Transaction management*
  - *Data transformation and messaging*

The CrossWorlds technology gives you enterprise scalability, reliability, availability and performance—to meet your mission-critical requirements.

### **IBM WebSphere MQ**

IBM WebSphere MQ messaging software is at the heart of WebSphere Business Integration for Insurance.

This messaging software:

- *Connects multiple back-end systems –and more than 35 platforms–in real time. The information you get is complete and accurate, helping you make better business decisions.*
- *Automates message delivery by transforming messages from different formats and routing them to different systems—eliminating the need to write special code. You can direct information to where and when it's needed.*

- *Leverages proven customer service approaches. You can model and automate complex processes that involve people, computer systems and workflows.*

### **IBM MQ Series® Workflow**

This aligns and integrates an organization's resources and capabilities with its business and e-business strategies. It can accelerate business process management and enhances business agility, service-level management and the reuse of business services. Implementing e-business process automation with MQ Workflow helps companies to boost quality and productivity and react more quickly to market opportunities.

### **IBM MQ Integrator Broker**

This coordinates information flows and enriches, reformats and distributes information across a complete range of business integration needs. Companies can scale from the smallest integration project right up to the enterprise, in a way that suits business needs and growth.

### **IBM CrossWorlds Connectors**

IBM WebSphere Business Process Integration connectivity options help you pull information from packaged and legacy applications, databases, trading partners' systems and even

from public information stores on the Web. Our Connectors support:

- *Event-driven, real-time synchronous connections*
- *Asynchronous loosely coupled trading partner connections*
- *Synchronous on-demand customer connections*
- *Synchronous tightly coupled trading partner connections*
- *The remote invocation mechanism (access interface), based on Synchronous Common Object Request Broker Architecture (CORBA), allowing you to connect audiences to your systems and applications through browser-based interactions*
- *Sophisticated business object integration and management capabilities to unite and extend business processes and IT resources inside and outside the company*

The following IBM CrossWorlds Connectors are available as part of this product offering:

- *IBM CrossWorlds Connector for MQ*
- *IBM CrossWorlds Connector for MQ Workflow*
- *IBM CrossWorlds Connector for MQ SIV2*
- *IBM CrossWorlds XML Data Handler*

### **IBM CrossWorlds Tools**

This is a full set of intuitive and easy-to-use tools that provides customers with administrative and development

support for system management, application connectivity and business process modeling. Some of the key tools include:

- **IBM CrossWorlds System Manager**  
*This provides a visual interface for system administrators to monitor, control and analyze the entire IBM solution in a single user interface. Administrators can configure all solution components, and can identify and correct system errors during run time. System Manager enables them to start, stop and pause all IBM CrossWorlds components as needed. The System Manager also provides monitoring screens to track processing load by component, traces and logs, and provides an audit trail for business events moving through the CrossWorlds environment.*
- **IBM CrossWorlds Process Designer**  
*The Process Designer is the IBM CrossWorlds visual business process-modeling tool. Using the Process Designer, users graphically sketch and refine the logical flow of business processes. The Process Designer uses Universal Modeling Language (UML) compliant graphical notation to represent the business process. Underneath the graphical notations, the code generator automatically produces pure Java™ code. In addition, for complex business process modeling, users can extend the generated Java code.*

- **IBM CrossWorlds Business Object Designer**

*The IBM CrossWorlds Business Object Designer provides a graphical tool for generating and maintaining business objects. Using the table-based interface, analysts can rapidly create generic and application-specific business objects. In addition, for more complex business objects, the Business Object Designer provides Object Discovery Agents (ODA). An ODA is designed to introspect a data source (for example, JDBC, SAP, Siebel, XML and so on), and to generate business objects automatically.*

- **IBM CrossWorlds Map Designer**

*The Map Designer is a visual tool that shares object repository definition and is tightly integrated with the CrossWorlds environment to support high volumes of transformations. It helps customers build and extend transformation maps that convert data from application-specific formats into the IBM CrossWorlds Business Objects or industry-specific objects.*

- **IBM CrossWorlds Relationship Designer**

*This program maintains cross-references between integrated data that resides in disparate applications. The Relationship Designer defines the relationships between application objects and attributes necessary for simultaneously synchronizing data across multiple applications.*

- **IBM CrossWorlds Relationship Manager**

*This shows a single view of the enterprise information dispersed throughout company business functions. The Relationship Manager helps provide information about each relationship and the participants (applications) within it. It also allows management of the attributes that define the nature of each participant's relationship. You can use the Relationship Manager to:*

- *Create and delete relationship instances*
- *Add or delete participants in a relationship*
- *Import cross-referenced information from outside sources*
- *Search for participant information based on instance IDs, business object values*
- *Monitor a participant's activity within a time interval*
- *Diagnose and automatically clean up data-corruption situations when problems arise*

- **IBM CrossWorlds Connector Development Kit (CDK)**

*By providing a uniform framework for Connector development, the CDK allows users to easily build reusable components. Developers use the CDK to modify and enhance existing Connectors supplied by IBM or to build new Connectors to support applications not directly supported by IBM CrossWorlds. CrossWorlds*

*provides a C++ as well as a Java CDK to enable connectivity to a large variety of legacy and emerging application programming interfaces (APIs).*

### **Faster, easier integration with WebSphere**

IBM's integration architecture is business-driven and based on the open-standard Eclipse platform. The solution features market-leading technology of the WebSphere Application Server, MQ Series and CrossWorlds middleware. IBM CrossWorlds technology's patented Common Object Model features insurance industry templates and collaborations, extensive connectivity and an object management runtime environment—enabling faster and easier integration while helping to reduce implementation and maintenance costs.

### **To learn more and get started, contact:**

IBM Worldwide Business Integration Sales at 1 888 685-0947, send an e-mail to [bisales@us.ibm.com](mailto:bisales@us.ibm.com)—or go to our Web site at

**[ibm.com/websphere/integration/insurance](http://ibm.com/websphere/integration/insurance)**.



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