Q2

A newsletter of developments at QuasarSystems

We'd like to use this forum to inform you of changes and enhancements we've made to our systems. We continue to improve the processing and feel of *R², The Reinsurance Resolution.*

1998 R² User Group Meeting

We are set for our second annual User Group Meeting on 20-21 Aug. Reservations should already be set, but if you are still interested in attending, please contact Ken Evans at Ken.Evans@qsi-r2.com. or call him at [414] 540-2421.

Transaction Database

Starting with version 41k of *AN*RE01, the Master Transaction Database has another layer of information for each transaction. An X5 record has been added to follow each X4 record. The X4 record still shows the treaty and premium source information that it used to, but now the X5 record also shows the source information and the premium or allowance rate table key.

Thus, each policy transaction will have an X2 record for policy-level data, X3 records for each coverage-level data, X4 records for each reinsurer-level data, and X5 records for additional reinsurer-level information.

Database Extensions

Also starting with version 41k of *AN*RE01 and version 18a of *AN*VL01, the file extension of the transaction and valuation databases will be determined by the CF field **R² Output File**. This field should be coded as R²--MMYY.*. The "--" is changed to "TX" for the transaction database and "VL" for the valuation database. And the * extension is changed to "QSI".

If it is necessary to keep the "TAN" extension until you can verify whether or not batch files need to be updated, you must specify that as the extension in the CF file. We anticipate that all users will move to the extension "QSI" by the time they go to the Windows version.

Configuration Enhancements
Expiry Age:

For expiries based on a duration, conversion policies had always calculated the duration from the original policy date. Now there is a CF flag to determine whether to calculate the expiry duration from the original date (RI Policy Date) or the new policy date (PO Policy Date).
CF: Expiry Age
> **N** - from the New Policy Date
> **O** - from the Original Policy Date

Reinsurance Used Indicator:

When a reinsurance trailer (RNS) is used, it is marked with an "á" (ascii 160). This indicator can be used by the parsing program to delete the trailer. If left in the reinsurance trailer file, then the transaction generator will consider the "á" as a Used indicator, and not use this trailer for future processing. For companies that reuse the RNS trailers quite often for Reissues and Manual Overrides, there is now a CF flag to ignore the used mark. One note of caution: If the RE ceded face is not stored as a percent, and the used mark is ignored, then face increases and decreases will expect the RNS trailer amounts to add up to the new face amount.
CF: Ignore RNS Mark?
> **Y** - Ignore Used Indicator, reuse trailer.
> **N** - Don't Reuse trailer

Waiver Amount At Risk:

As a rule, waiver rates have always been applied to the full original ceded amount. The waiver amount had not been adjusted by the policy cash value. For policies with *base* plan PH Plan Type '**U'** (Universal Life), there is now a CF flag to process a calculation of Amount-At-Risk (AAR) on the Waiver.
CF: Remove Base CV From Waiver
> **Y**   - Calculate Waiver AAR
> **N**   - Use Original Ceded Face

Year 2000 Compliance

R² is year 2000 compliant. This is now stated in our contract. For clients with older contracts we can provide a letter verifying R² compliance. *However,* this is dependent on getting a valid extract to process. *How sure are you that you can supply us with a valid extract?*   (See also Q² Issue 9, June 1996.)

By now every company should be looking at the year 2000 compliance issue for their own administration system. We suggest that you include in this testing the production of an extract for R² with year 2000+ information. We will be sending a letter to our clients requesting that year 2000 extract be produced, tested, and signed off. None of us needs surprises, especially at century end. We'll be too busy celebrating.

Expanded File Layouts

Many of our inforce and data file layouts are at the limits of the variables that they can hold in each record. There are a number of changes on the drawing board that we've delayed until we can expand the file layouts. The file layouts themselves are not difficult for us to convert. But, since it means converting the inforce files, we've decided to do all the modifications at the same time. This change will occur in a few months.

We would like your help in the conversion. Since we are going to alter the layouts of PO, RI, RE, PH, TY, R²TX, and R²VL, do you have any additional suggestions of fields that you would like to have? It is easier for us to add them now to avoid an additional conversion.

The kinds of changes we are doing right now involve expanding the ten character policy number key to 18 characters. The policy sequence and Joint sequence fields will be shown with the expanded key making it 20 characters. There are a couple of companies that requested an 11 or 15 character key. This will allow us some future flexibility with the issue.
If you don't use the entire 18 characters, that's fine, the field will be blank filled.

Other changes include -
PO : Policy
PO *Smoker Code*
Allowing more variations of Smoker (Tobacco) codes. Currently we allow N,S,A,0,1,2,T,C

PO.*Benefit Period*
Currently, we allow "**D**" for expires at duration and "**A**" for expires at Age x. Suggestion was for another field "**L**" for lifetime benefits, and allowing for other options as well.

PO *Actual Issue Age.*
New Field to store the actual issue age, for use with Rating Age overrides.

CO: Company
CO No changes

PM: Plan Mapping
PM No changes

RI : Riders (Coverages)
RI *Add to Policy Exhibit*
New field to indicate whether the benefit is included in the Policy Exhibit.

RE: Reinsurance
RE *Cession Number*
Change storage of Cession Number and increase to 18 characters.

SR: Statutory Reserves
SR No changes

SS: Schedule S
SS *Schedule S Type Codes*
Add Schedule S (part 3a) Type Codes (See an Annual Statement Footnote)

TR: Tax Reserves
TR No changes

TY: Treaty
TY *Schedule S Type Codes* Add Schedule S (part 3a) Type Codes (See an Annual Statement Footnote)

R²TXmmyy.qsi: Transaction Database
R²TXmmyy.qsi: *X4 TY Key*
Store TY Key (Currently stores Treaty Code)

R²RMmmyy.qsi: Retention Management Database
R²RMmmyy.qsi *R2 Table Rating*
Store Rating information

R²VLmmyy.qsi: Valuation Database
R²VLmmyy.qsi *R4 TY Key*
Store the TY Key (Currently stores Treaty Code)

R²VLmmyy.qsi
R5 Source Of R5 will be a new record (like the X5 we recently introduced)
Source of keys on valuation numbers (Did they come from PH, TY, Xtr?)

The following has been requested, but will not be done this year (and we have no date set for its implementation.

PE: Policy Exhibit
PE *Reserve Exhibit*

RE: Reinsurance
RE *Reserve Last Reported*

Questions and Answers

Q: **What is DOS Error 008?**

A: This is an "insufficient memory" error message.

Regardless of the amount of RAM (Random Access Memory) your machine has, DOS is set up to use only the first 640K for program executables. This memory is known as conventional memory. Programs found in your autoexec.bat and config.sys files can take up some of this space. This 640K limit also applies to DOS prompts run within Windows versions 3.x and 95.

Type "**mem /?**" from a DOS prompt for options to display the amount of conventional memory on your computer.

Q: **Is there a way to find out what type of error is causing my program to stop?**

A: Redirecting program output to a file can be a good way to track down error codes and locations. This can be done through batch files or from a DOS prompt.

For example,

Anre01 *iii cc* **[cnf]** *mmyy* **>> t$log.qsi** will print, to the file 't$log.qsi', any runtime error that occurs as the program is running. Note that misleading error messages can result from manually breaking out of locked programs

This, in combination with echo commands and the Log.qsi file, can help you track down exactly what program had what error when run from a batch file that contains many programs.

Q: **I would like to re-run billing, what files do I need?**

A: A lot will depend on what you mean by 're-running the bills.' Following are three possibilities:

1) If you want to start from scratch, you will need the inforce files (PO, RI, RE, their index files, and PE) dated from the final run of the previous report date. You will also need the download file for the current report date. You can then run the entire system, beginning with the pre-processor. Files dated other than the last time you successfully ran billing indicate that they have been changed, and can result in incorrect billing reports. (These can all be restored from the restore option)

2) If you are satisfied with your post-preprocessor extract (Anre01in.xtr), you can re-run billing by verifying that the company inforce files are dated from the final run of the previous report date.

3) If you want to re-run the Report Generator you will need the transaction database (R²TX) and the M$tx.key file. Both should be found in your output directory.

Q: **I sent QuasarSystems an e-mail message with a 10MB attachment. Why haven't they received it yet?**

A: Unfortunately, e-mail servers are not designed to handle large file sizes. Often, phone line conditions combined with e-mail time restrictions from Internet Service Providers (ISP's) make it impossible to download files of this size. When this happens, we have no choice but to contact our ISP and have the e-mail removed from their server. Think of it as trying to mail an 80 pound package by placing it in your mailbox. So, please contact us for arrangements to transfer large files.

American Express /
IDS Financial Services
Lutheran Brotherhood
Mutual / United of Omaha
Reinsurance Processing Services
Royal Bank of Canada
Swiss Re - Montreal
Swiss Re - New York

Thank you for your continued support and suggestions. We appreciate and welcome all your comments and questions. Please let us know if there are any topics you would like to see examined in greater detail.

For additional information on any option, you should first consult your documentation manual. We would be delighted to answer any questions you might have.

If you would like a back issue of Q² please give us a call. The main topics of past issues were:

We hope you are enjoying summer. We look forward to seeing you at the User Group Meeting in August.