

Q²

A newsletter of developments at QuasarSystems

Issue 25 - September 2000

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*.



User Group 2000 - From the memoirs of Dr. Watson.

In the latter days of August, at the turn of the century, indeed the millennium, a small and dedicated company in Milwaukee convened a seminar with about two score invited guests.

This was not unusual, as it had been the fourth year that they had met this ever expanding group. The "user" group had insisted that the dialog be intricate and meaningful. It was to be a worthwhile intensive conference for the exchange of ideas.

That is not to say that some of those present did not find opportunities to discover just what it was that made Milwaukee famous. But

then, the nocturnal events ran later than could be observed firsthand by this author. The first night, the users met at Brew City Bar-B-Que, a local pub and eatery. It was a cool summer evening and the outdoor dining may have been refreshing or even a tad bit too cool for those from a warmer climate.

The conference began innocently enough with introductions. While many of the guests are now familiar with one another, they were blessed with a number of first-time attendees. My esteemed colleague, the eminent



reinsurance detective, Mr. Sherlock Holmes, appeared just as a young lady in

considerable turmoil arrived in the lobby. Mr. Holmes imparted upon the young lady how the newly developed retention management control screen would ease the frustration of processing a million policies. With the Question & Answer



section of this pamphlet, I have included some the questions and comments introduced by the attendees.

We then rolled up our sleeves and began a journey into the day-long session of hands-on Windows. This session was intended to simultaneously teach experienced DOS users the intricacies of Windows while teaching New Users, already experienced with Windows, the subtleties of *R²*. The users then were able to put some of this knowledge to

use in a problem solving session where they were separated into teams trying to solve six problems. Holmes himself was impressed with the depth of knowledge and ingenuity these teams exhibited in pursuit of the truth.

Dinner that night at Stout



Brothers gave yet other opportunities for us to all become familiar with each other. Unfortunately for those of a political bent, it also coincided with the acceptance speech of one of the candidates at an American political convention. At least one attendee retired early to witness the event. Various others grouped and went off on another late night impromptu exploration of pubs, while yet others discussed trivia.

Morning came soon enough and there were data screens to discuss. Holmes once again contemplated the worries of agitated visitors. With his intricate thoughts, he was quickly able to solve various problems.

Heather Huff instructed half

of the group on Ad-Hoc reporting while Laura Simmonds-Lowry worked with the others on the entire monthly cycle. Then the groups switched.

That afternoon, the Quasar staff excused themselves while the users discussed ways the staff could assist their clients better. When the staff returned, they were treated with critique and compliments. The users requested that they become even more involved next year. They asked for small work groups where they can discuss various topics. The users even suggested that they would be willing to speak on areas of their own expertise. The Quasar staff appreciated the honesty and the willingness to assist in the preparation.



Consensus had it that Quasar*Systems would develop a new way to prioritize and disperse information to clients. A new Excel spreadsheet would identify all issues. Each client would have their issues identified and prioritized. The clients would be aware of the issues and who was to be held



responsible for the next step. More would be forthcoming to all in the weeks ahead.

A Compact Disk containing the examples, documents and pictures from the users group would be distributed to those who attended and others who expressed an interest.

Holmes and I began our long journey back to London. I was certainly wiser and no doubt weary from the time in Milwaukee. I believe that even my esteemed colleague gained a tiny bit of insight from the events that we had witnessed.



User Group 2001

The User Group Meeting of 2001 and will be held in Milwaukee from August 15th through the 17th. Please mark your calendars now. Details will be available in the beginning in January of 2001.

Parsing and Extract Restores

A Premium Trailer is used to specify a premium schedule on a specific policy and override normal processing. If you use premium trailers, you may have heard of **ON** trailers and **OFF** trailers. **OFF** trailers, if they exist on a policy, are used for any transaction that reverses premium payments; a trailer is an **OFF** trailer if it's **Used** field is set. **ON** trailers are used for transactions that are paying premiums forward, such as renewals. In the absence of an **OFF** trailer, **ON** trailers are used for all reversals and forward transactions.

A program can be run after billing to parse (delete) **OFF** premium trailers on policies that processed without an E3 error. The purpose of this is to ensure that any future policy changes use the trailer that properly reflects the overall history of premium rates that have been paid on a policy. That trailer is the **ON** premium trailer. To put it another way, once a policy with an **OFF** trailer has processed, that **OFF** trailer should no longer be a part of the premium trailer file.

For example, a policy had a trailer that paid \$1.00 for each of the first five durations (1-1-

1-1-1). You need to reverse that policy back to duration 3 and change the premiums to \$2.00 for durations 4 and 5 (1-1-1-2-2). The 1-1-1-1-1 would be saved as an **OFF** trailer, and an **ON** trailer would contain 1-1-1-2-2. In the future, you no longer need the 1-1-1-1-1 trailer. Any reversals that would reach back before duration 5 should use the 1-1-1-2-2 trailer, because that reflects what has been paid on the policy.



The process is relatively simple. If the policy processed successfully, then the *Marked for Deletion* field is set on the billing extract for that policy and **OFF** premium trailers can be removed from the premium trailer (.VAL) file. The parsing program runs through the extract after billing has completed, and deletes the policy from the extract, and if there is an **OFF** premium trailer on the policy, deletes that from the VAL file as well.

If you parse the extract and trailers, how would that affect restoring data for rerunning? It is important to restore your inforce files, extracts, and trailer files before any manual coding and before a rerun. These restored files contain manual coding you may have previously changed.

After parsing is completed, the only policies in the extract will be those that had an E3 error during billing, and the **OFF** trailers on policies that did not have an E3 error during billing will have been removed from the VAL file.

If you generate a full extract every month from another source, then the remaining extract will have no value to you except for testing (this is the method that most direct writers would use). However, if you start with the previous month's extract and manually code changes each month, the parsed extract is your starting point. It contains all policies from the previous billing cycle that did not process. (This is the method that reinsurers processing Assumed individual cession business would typically use.)

In either case, the parsed trailer file would be the starting point for the subsequent month.



Questions and Answers

Q: I performed a manual override R (reissue) on a policy and now it is showing up in the terminations area on my billing report. Why is it doing this?



A: The policy performs both an On and Off transaction because the program needs to fully terminate the policy from its original set of treaty records before it can reissue the policy onto the new treaties. The program does this because the policy may or may not go back on to the same treaties as it had been on before. Usually there will be a *Not Taken* to take it off and a *New Business* to make it reappear.

Q: Will the QSI print program be changed to allow multiple file printing?

A: Qstextp has already been changed to allow this option. Hold down the [Ctrl] button and click on all the files you wish to print; then click on open.

Q: Using Premium Trailers. If I have 11 years of data for a conversion, I will have a decade 1 completely filled in and decade 2 with only one value, the rest will be 0. What will happen when it tries to use duration 12 if it is zero?

A: R² will not process the policy. An E3 Error will appear to alert the user of this condition. When you add the missing data, R² will bring the policy up-to-date.

Q: I do not remember if I restored my prior Inforce files or not. How can I tell?

A: To tell whether or not you restored, first check the date of the inforce files through Explorer. The date and time on the inforce files should have the date of the last period's final billing run. To ensure that you have done this correctly, check that the **Prior Run Date** in the Run Billing\Valuation is also the date of the last billing run. You may exit this screen without processing.



Q: It seems that since my computer was upgraded from Windows 98 to Windows NT there have been a lot of changes to my system. How exactly does this affect R²?

A: With NT you may delete PIFs (Program Information Files) associated with MSDOS programs.

Windows 95 and 98 need these additional PIF files in order to close out of the DOS environment.

Secondly, when using NT version 4.0, it is currently necessary to answer Yes to the PKzip Exist question. We have changed our program to eliminate this condition. This query occurs immediately after setting off Billing and Valuation. This question must be answered before R² will continue processing. Additionally, NT with Service Pak 5.0 requires a change to the Pre_Re01 batch file to avoid the use of Qsre03p.exe. This means that you CAN NOT restore through the menus using Windows NT with Service Pak 5.0.

Q: *My inforce files are receiving 0420 errors on which a policy partially processes before it errors out, sometimes leaving their inforce files inconsistent. What should I do?*

A: You should either fix the underlying causes of the 0420 error and rerun the period's billing cycle, or suppress the policy for that month and rerun the period's billing cycle. If you are unable to find the cause of the 0420 error, then contact your client liaison.

Q: *What things do I need to check before I set off a billing cycle?*

A: First, verify that you have the current month's extract. Second, verify that the starting inforce files are the correct date. Third, make sure the *previous* report period Valuation database is in the OUT directory. Lastly, if running Retention Management, make sure the previous period's unzipped RM database is in the OUT directory.

Q: *I checked that Mr. Smith's policy was in the extract and had a current change date, but it does not show on the bills. Where did it go?*

A: The R² system leaves a trail of evidence to determine its whereabouts. Mr. Smith's policy most likely created an error in the billing cycle and is listed on the errors report. It is very important to check the contents of this report every month.



Q: *We have nearly a million inforce policies, and after I start running RM01, I have to wait several hours for it to complete so that I can run RM02. Is there any way in which I can speed up this process?*

A: We are pleased to announce that we have recently added a feature to the Menu program that allows you to run the entire Retention Management process with a click of your mouse. There are radio buttons for you to choose whether to create the RM Database, generate reports, and sort the RM Extract file. When you have made your choices, you can specify the Run Date, then click on the "Okay" button and go home. For those of you with RM preprocessors, these programs can be run unsupervised by means of the batch file Pre_RM01, which is automatically called before Qsrm01p.exe.



Q: *How do I print the screen of the file I am working on without the rest of the desktop background?*

A: Instead of just pressing the Print Screen button, hold down the [Alt] button and then press [Prt Scr]. You can Paste this image into Paint, Word or any other word processing program.



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 send an email to us at Q2@qsi-r2.com. The main topics of past issues were:

Issue 1 - Multiple Life Processing	Issue 8 - Report Generator	Issue 18 - T\$POSrt.Idx, Trailers Q&A
Issue 2 - Retention Management	Issue 9 - Year 2000	Issue 19 - Sorting Files
Issue 3 - Trailers, Help Screens and Policy Page Producer	Issue 10 -Backups	Issue 20 - Testing Billing / Valuation Samples
Issue 4 - Report Generator and Retention Schedules	Issue 11 - Viewing Inforce Files	Issue 21 - Standards for Backup Procedures
Issue 5 - Transaction Processing and Reinsurance Overrides	Issue 12 - Extracting Test Data, Status Codes, Transaction Codes	Issue 22 - Warnings and Errors
Issue 6 - Input Extracts	Issue 13 - Trailers	Issue 23 - Conversions
Issue 7 - Schedule S	Issue 14 - R ² Windows	Issue 24 - CF Flags and Restoring
	Issue 15 - What's in a footer?	Issue 25 - Parsing and Extract Restores
	Issue 16 - Expanded Files	
	Issue 17 - Retention Management, Reserves Q&A	

If you are attending the SOA Convention in Chicago from October 15th - October 18th, please stop by the Quasar*Systems booth to say hello.



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