

Q²

A newsletter of developments at QuasarSystems

Issue 34 -December 2002

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

Save as a New Key qsXX03p.exe

QsXX03p edits the extract files such as the preliminary extract, billing extract, values extract trailer file or reinsurance extract trailer file. In contrast qsXX00p edits the data files, such as Plan Header, Treaty, Retention Schedules, etc.

Prior to version D11q of qsXX03p, when you pressed cK, the record you were working on was saved with whatever key it currently had. This differs from the operation of qsXX00p, which would ask you for a **new** key before saving the data. This difference was confusing to some people, so we have modified qsXX03p to behave like qsXX00p.

In the current version of qsXX03p, when editing any file with a *Policy Number* as the primary key, the program will prompt you to enter a new key. The program will prompt you with the current key, which includes *Policy Number*, plus

any sequences. For example, in the Values file, there is a *Policy Sequence*, *Joint Sequence*, and *Benefit Sequence* and *Decade* as part of the key. You then have the option to change any or all of these values before saving the data.

The change was made because users were creating duplicate trailers.

Due to the nature of the different kinds of files that are used by each program, we can never make the functionality identical. We hope that by making the operation of these programs **more consistent**, our clients will be more efficient in their use of the system.

As always, if you have any ideas for *R²* that would make your job easier, please let us know about them. We can't guarantee that your idea will be implemented, but if it is, you may be creating a benefit for yourself and other clients as well.

User Group 2003

The 2003 User Group dates have been set. The meeting will take place at the Milwaukee Pfister Hotel from Wednesday, 13-Aug to Friday, 15-Aug-2003. Information about the event will be mailed by 01-Mar-2003.

Congratulations!



We wanted to take a moment to congratulate Dan, and his new wife, Nancy. The Gapinskis were married in a beautiful service during the month of October. We wish them many happy years together.

Happy
Holidays
Everyone!



End of Year Processing

We all know our personal lives get a little hectic toward the end of the year with the hustle and bustle of the holiday season, and so does the world of reinsurance with special end-of-year processing. R² includes several programs to assist you with the end-of-year process. It would be a good idea to check and make sure you have the latest versions of these programs. The list has been divided between clients and reinsurers.

Clients -

*Please verify that the program version you have in your **Reins** directory is recent. If not, please contact your client liaison.*

Qsre01p.exe - Main billing program

Version 43k 17-Oct-02 at 2:09 pm

This program is responsible for creating the transaction database containing the monthly billing transactions.

Qsre02p.exe - Billing report program

Version 27w 16-Oct-02 at 3:00 pm

The program creates reports in HP-Ready format detailing the monthly transactions and the electronic files (SOA compressed files).

Qsre16p.exe - Electronic conversion program

Version 09e 26-Nov-02 at 11:01 am

The program converts the compressed electronic output, R2TXccRR.qsi or R2VLccRR.qsi (where *cc* is the name of the ceding company and *RR* is the name of the reinsurer), into one conforming to the guidelines of the Reinsurance Section of the Society of Actuaries recommended file layout (R2TXccRR.soa or R2VLccRR.soa).



Qsre36p.exe - Schedule S program

Version 01x 14-Jan-02 at 11:32 am

This program allows you to create reports for your annual statement, by location, by plan or by reinsurer for Schedule S.



Qsvl10p.exe - Database Viewer
Version 12a

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4
-

Dec-02 at 12:16 pm

This program allows you to view the databases created by the R² System; R²RM*mmyy*.qsi - Retention Management Database, R²TX*mmyy*.qsi - Transaction Database, and R²VL*mmyy*.qsi - Valuation Database.

Qsvl10p.exe also allows you to perform ad-hoc reports on each of these databases.

Reinsurers -

Please verify that the program version you have in your R2SOA directory is recent. If not, please contact Heather at ElectronicFiles@qsi-r2.com. The latest R2SOA package version is 01w.



Qsre10p.exe - Electronic File Viewer

Version 14g 04-Dec-02 at 9:35 am

This program allows you to view the electronic output files produced by the R² System in either the compressed format (R2TXccRR.qsi or R2VLccRR.qsi) or the SOA recommended format (R2TXccRR.soa or R2VLccRR.soa).

Qsre10p.exe also allows you to perform ad-hoc reports on each of these databases.

Qsre16p.exe - Electronic conversion program

Version 09e 26-Nov-02 at 11:01 am

The program converts the compressed electronic output (R2TXccRR.qsi or R2VLccRR.qsi) into one conforming to the guidelines of the Reinsurance Section of the Society of Actuaries recommended file layout (R2TXccRR.soa or R2VLccRR.soa).

Questions and Answers

Q: We have a new block of business that will include some joint life coverage where one of the insureds is 'uninsurable'.



When there is an uninsurable life, our retro arrangement declares that the premium rates will default to the single life rates for the 'insurable' life. I believe this is a standard way of processing these coverages. What should I do to set this up?

A: When Plan Headers (PH) are created for joint life, the insurance sub-type (screen 1) should be set to L Last-to-Die or F First-to-Die. If your company needs R² to calculate frasierized premiums, the preprocessor may be modified to do so. One technique is to send

policies with an uninsurable life to a *plan code* ending in **U** for uninsurable. (Or we could set the preprocessor to map these policies to the appropriate plan code.) Plan Headers (PH) for these plan codes then point to rate tables for single life rates. The *rating* for an uninsurable should be sent as **9990**.

Q: *Is there a report that shows what policies I have suppressed (Status 9x) in the billing extract, Anre01in.xtr?*

A: Qsxt19p.exe now produces a report named *Qsxt19.not* that lists policies that have been suppressed. Qsxt19p.exe is designed to set the *additional coverages* indicator for joint policies or policies with additional policy sequences.

Q: *I heard rumors of supplemental billing reports with just the totals pages. Is this true?*

A: There is now an option to create billing reports with just the *Accounting Totals* and *Policy Exhibit* pages. We suggest creating these reports in addition to your detailed billing reports. When the reports are created, they will be named *Qsre02-totals.cc*. Talk to your client liaison about adding this option to your PostRe02 batch file.

Q: *My preprocessor is supposed to add prior RNS trailers based on Retention Management, but when multiple policies for a single insured come on as New Business within the same month, the prior for the second policy is not automatically created. What should I do?*

A: The second policy, and all subsequent policies, on an insured need a Prior Reinsurance trailer in order for transaction processing to

recognize prior retained amounts. Preprocessors usually read the *inforce* files and *Retention Management* files to create these. However, when two policies for the same insured show up in the extract for the first time in the same cycle, the preprocessor will not automatically know the prior retained because neither is in force.

In these cases the administrator should either (1) add a Prior Reinsurance trailer before running the billing cycle where the second policy comes on as *New Business* or, (2) if the prior was automatically created in a subsequent cycle, add a *manual override R* to reissue the second policy. Prior RNS trailers are only recognized at *Issue* or *Reissue*. You can create a Prior RNS trailer through the R² Extract Editor by clicking on the appropriate (Reinsurance) check-box on the *Billing Extract*. Identify the trailer as a *Type P* for *Prior* on the *Amounts* screen layout. Add the retention information from the previous retained policy or policies. Remember to save as new key.

Note: If you do nothing and allow these policies to process as is, *Retention Management* will recognize them in the subsequent period. An over-retention report may be generated for these policies at this time.

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 13 - Trailers	Issue 26 - Manual Override O, Qsxt19p
Issue 2 - Retention Management	Issue 14 - R ² Windows	Issue 27 - Priors and Allocation
Issue 3 - Trailers, Help Screens Producer	Issue 15 - What's in a footer?	Issue 28 - Premium & Allowance Information
Issue 4 - Report Generator and Retention Schedules	Issue 16 - Expanded Files	Issue 29 - Command Line Ad-hoc, qsre10p.exe
Issue 5 - Transaction Processing and Reinsurance Overrides	Issue 17 - Retention Management, Reserves Q&A	Issue 30 - Schedule S, Financial Adjustments
Issue 6 - Input Extracts	Issue 18 - T\$POSrt.Idx, Trailers Q&A	Issue 31 - Hot Keys, Printing Files, Electronic Files
Issue 7 - Schedule S	Issue 19 - Sorting Files	Issue 32 - Event Extracts, How to Rerun a Previous Cycle
Issue 8 - Report Generator	Issue 20 - Testing Billing/Valuation Samples	Issue 33 - Electronic Output Viewing Package, Manual Override T
Issue 9 - Year 2000	Issue 21 - Standards for Backup Procedures	Issue 34 - End of Year Processing
Issue 10 - Backups	Issue 22 - Warnings and Errors	
Issue 11 - Viewing Inforce Files	Issue 23 - Manual Overrides and Conversions	
Issue 12 - Extracting Test Data, Status Codes, Transaction Codes	Issue 24 - CF Flags and Resorting	
	Issue 25 - Parsing	

The current version of the Electronic Output Viewing Package is 01w.

Come visit us at the LOMA Systems Convention in San Antonio, Texas between March 2-5, 2003. We would be happy to have you stop by the convention booth.



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