



IBAC Mobilizes Partner Support for Data Exchange Operational Model

Toronto, ON, January 11, 2019 – The Insurance Brokers Association of Canada (IBAC) welcomes the endorsement from the Broker Management System (BMS) and Commercial Management System (CMS) community for the IBAC Data Exchange principles as the optimal strategy to advance connectivity within the broker distribution system.

At IBAC's semi-annual Vendor Forum held in May and October, 2018, senior representatives of BMS and CMS vendors met to discuss the topic of connectivity and how the industry could streamline future development by taking advantage of Reusable Data Services (RDS) as part of the IBAC Data Exchange Model. The RDS concept involves developing Application Programming Interfaces (APIs) for a library of standard CSIO-compliant reusable services (not unlike downloading an app from an 'app store'), which will enable a service to be built once and then shared. This allows BMS/CMS vendors and insurance companies to develop and deploy a wide range of capability more quickly across multiple and disparate platforms.

Participants at the October meeting agreed on a "Partner Statement" (attached) that formalizes their commitment to this strategy under a set of guiding principles.

"In order to advance real time connectivity for brokers, it is essential for all stakeholders to be on the same page," said Peter Braid, Chief Executive Officer of IBAC. "This formal endorsement from our software partners will help to coordinate efforts and reinforce industry confidence in the feasibility of the IBAC Data Exchange principles and the RDS initiative."

The Partner Statement sets out the following principles:

- (1) The IBAC Data Exchange model is the optimal strategy to advance connectivity within the broker distribution system;
- (2) The development and use of a new Reusable Services Library and Testing Facility is the optimal way to accelerate future development;
- (3) The use of CSIO data standards in combination with a new Reusable Services Library and Testing Facility represents the optimal method of implementing the IBAC Data Exchange model to accelerate the digitization of the broker distribution model in Canada; and
- (4) Both BMS/CMS vendors and insurance carriers must equally contribute to a non-proprietary Reusable Services Library so that participants are able to develop and deploy their own solutions significantly more quickly than by working in isolation.

"We are pleased that our BMS and CMS partners are committed to working with brokers across Canada to achieve real time connectivity, enabling us to meet consumer expectations and take unnecessary cost

and inefficiency out of the broker channel,” said Gina McFetridge, Chair of the IBAC Technology Committee. “This commitment will be a solid foundation for the successful development and implementation of the RDS model across the industry.”

The next phase of this strategy will be the launch of the IBAC Data Exchange Working Group, which will begin the process of operationalizing the Reusable Data Services concept under the leadership of Kim Opheim, IBAC’s Consultant for Broker Technology. A kick-off meeting will take place in Toronto on January 29, 2019, with participants including insurance carriers, BMS vendors, and other partners. Please see the backgrounder below for further information.

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Representing over 38,000 insurance brokers across Canada, the Insurance Brokers Association of Canada (IBAC) is the national voice of Property and Casualty insurance brokers and an advocate for insurance consumers. IBAC represents the interests of both insurance brokers and their customers to the Government of Canada.

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Backgrounder: IBAC Data Exchange Working Group

The Insurance Brokers Association of Canada (IBAC) is introducing the next phase of the IBAC Data Exchange Action Plan, which aims to operationalize IBAC’s nationally endorsed Data Exchange Principles and facilitate real-time connectivity in the Canadian property and casualty insurance industry as quickly and cost-effectively as possible.

Launching on January 29, 2019, the IBAC Data Exchange Working Group represents an industry-wide collaborative effort comprised of brokers, vendors, and industry stakeholders that will work towards the development and use of a new Reusable Data Services (RDS) Library and Testing Facility.

The Data Exchange model underpins the concept of reusable services based on Application Programming Interfaces (API) that use data standards published by the Centre for Study of Insurance Operations (CSIO). RDS involves the creation of a library of CSIO standard-compliant reusable services that can be shared (not unlike downloading an app from an ‘app store’). This will allow BMS/CMS vendors and insurance companies to develop and deploy a wide range of capability more quickly across multiple and disparate platforms.

The Working Group project team will develop transaction use cases for both personal and commercial lines utilizing CSIO data standards and IBAC Data Exchange Principles. The initial transaction type to be developed as an RDS will be “First Notice of Loss”, building upon the previous work of the Toronto

Insurance Council's (TIC) Proof of Concept Initiative. The Working Group will then decide on a prioritized list of transaction types that will proceed for development. Once created, the RDS will be vetted with insurance carrier participants, tested in the CSIO Testing Facility for data standards compliance, and then released into an industry repository for use in production environments across the industry.

The goal of the Working Group is to create 4 to 6 Reusable Data Services in 2019. Once this is achieved, learnings and processes will be leveraged by splitting the Working Group into smaller groups and tackling a larger number of RDSs concurrently. With demonstrated success and accelerated output, momentum will grow toward widespread contribution and utilization of the Reusable Data Services Library, further advancing real-time connectivity across the industry.



IBAC Data Exchange Partner Statement

In May and October of 2018, senior representatives from the Broker Management System (BMS) and Commercial Management System (CMS) community met for the Insurance Brokers Association of Canada's (IBAC) semi-annual Vendor Forum, which offers an opportunity for participants to discuss some of the industry's most pressing technological issues.

These meetings addressed the topic of connectivity and how the industry could streamline future development by taking advantage of reusable services. System Application Programming Interfaces (APIs) that are developed for a library of CSIO standard compliant reusable services (not unlike downloading an app from an 'app store') enable a service to be built once and then shared. This allows BMS/CMS vendors and insurance companies to develop and deploy a wide range of capability more quickly across multiple and disparate platforms.

As investment in insurance company systems continues to rise, so, too, does the importance of developing application interfaces that support the kind of integration needed to exchange data based on standards. IBAC and the attending vendor organizations reaffirmed their commitment and support of the following guiding principles and go-forward strategy:

1. IBAC Data Exchange principles are the optimal strategy to advance connectivity within the broker distribution system;
2. The development and use of a new Reusable Services Library and Testing Facility is the optimal way to accelerate future development;
3. The use of CSIO data standards in combination with a new Reusable Services Library and Testing Facility represents the optimal method of implementing the IBAC Data Exchange model to accelerate the digitization of the broker distribution model in Canada; and
4. In the interest of the broker distribution model, it is imperative that both BMS/CMS vendors and carriers equally contribute to a non-proprietary Reusable Services Library so that participants are able to develop and deploy their own solutions significantly more quickly than by working on their own.

In the interest of all parties, it is incumbent on insurance carriers to commit to data stewardship best practices and fulsome adoption of CSIO standards when replacing or enhancing legacy systems and/or developing their APIs. We encourage insurers to commit to developing their standardized APIs such that they can be shared and reused for the benefit of all stakeholders. To that end, we recommend that existing NDAs and other similar agreements between vendors and insurers be relaxed over time, to permit the greater sharing of non-proprietary reusable resources.

IBAC and the BMS vendor organizations sincerely believe that:

1. Integration capability and connectivity alone should not define our competitive landscape;
2. Recent and planned carrier investments, coupled with several successful industry projects over the past 18 to 24 months, have generated a tremendous amount of momentum within the Canadian insurance industry when it comes to transacting business digitally using industry data standards;
3. Insurance carriers and BMS vendors must continue to make IT investments that support CSIO data standards; and
4. By viewing connectivity and integration as a simple utility, collectively we can significantly accelerate the digitization of the broker channel.

We, the undersigned organizations, agree with and support these principles.

Insurance Brokers Association of Canada	Applied Systems
Brokercore	CSSI
Keal Technologies	Policy Works
Zycomp	TechCanary

December 10, 2018