

2009

P.I.P.A. Property Insurance Premium Accounting



***P.I.P.A.** - Property Department
Software for Insurance Brokers.*

***P.I.P.A.** is a professional solution to
the heavy burden of administration
involved in Multi Property
Portfolios.*

***P.I.P.A.** works in conjunction with
all major insurance broking
systems.*

Justin Kennedy

SystemWise
107 Saughtonhall Drive
Edinburgh
EH12 5TS

t: 0131 313 0707
f: 0131 313 0808

e: justin@systemwise.co.uk
w: www.systemwise.co.uk

March 2009

Introduction to P.I.P.A.

Contents

What is PIPA?	3
How Insurance Brokers are using PIPA in conjunction with FactorWise.....	4
What affect will PIPA have on your business?	5
Installation	5
What computer environment does PIPA need?	5
Costs.....	6
Contact SystemWise	6

P. I. P. A.

Property Insurance Premium Accounting

A program for Insurance Broker Property Departments

PIPA handles the administration of Insurance for multiple properties Policies

What is PIPA.?

PIPA is a program that specifically addresses the needs of Insurance Brokers who sell Property Insurance where there are multiple Policy Holders on a single Policy.

The Property Insurance Departments have to generate multiple invoices, multiple schedules and multiple copies of other documentation. Where there are a hundred plus Owners on a single policy this becomes a clerical mountain. On top of this Owners are changing as the properties are bought and sold, which in turn requires crediting and invoicing pro rata premiums. PIPA handles all of this.

PIPA is a full accounting system which can collect premiums from individual Owners and provide a policy account for the entire policy which can then be reconciled against the main broker system. There is also an arrears chasing system. It will handle the collection of direct debits and check that standing orders are being received on time. It will even check that arrangements to pay by instalments are kept up to date.

PIPA will not be connected to the normal broker system. When an entire policy is updated on the broker's main system it is entered on the PIPA Insurance screen. PIPA then uses that information to distribute the premium and do the rest of the job. Where the policy is being paid in full to the broker the broker's main system is used to receive the money while PIPA does the administration. Where PIPA is collecting the premiums and doing the accounting there is a bulk payment from one system to the other and that is accounted for within PIPA and the two systems are then reconciled.

When PIPA is used to collect premiums in this way it will create a bordereau and a periodic transfer of collected money into the main broker system. There are facilities to add administrative charges to the invoices.

So whatever the arrangement for a particular policy or scheme PIPA can handle it. All these facilities are switchable at policy level. If a particular scheme requires additional fields to be held then the Policy/Details screen can be adapted to the schemes requirements. There is obviously an additional charge for this. However variable texts are editable within PIPA to keep the number of different templates to a minimum.

PIPA handles the invoicing for MTAs and the documentation. It will calculate the cost of the MTA on the fly, the same as it does for pro-rata invoices for new Owners. The old owner credit note is calculated and can be sent or not as required.

PIPA will calculate and hold a quote within a policy for an individual owner to increase their Sum Insured, add/increase contents or landlords rent cover. There are even facilities to change the rate from the scheme/policy rate to a special rate.

PIPA contains a powerful letter writing function which allows merging letters to all Owner's within a policy or indeed to individuals or defined groups within the policy. Most of the data fields on the screens are available to merge.

All invoices, letters, and schedules are filed in PIPA electronically, exactly as they were sent. Each individual has an events history and all communications from PIPA are recorded against each individual. The user just has to double click on a letter in the event history and it comes up in Microsoft Word immediately. No more filing required. Where documents need to be held in a policy file they can be attached on the Policy Documents screen. This files a copy of the document which is again available by double clicking on the document and it comes up in the same format it was saved. PDF's, spreadsheets, images, scans, and Word documents can all be held in the policy documents with ready access.

Claims can be recorded and given a status. As yet there is no claims bordereau for claims delegated authority schemes. There is a complete Job Ordering and progressing system within PIPA which can be used in conjunction with claims.

How Insurance Brokers are using PIPA in conjunction with FactorWise

PIPA has a sister program called FactorWise which does all the Block Management accounting for Property Managers. When PIPA is run in conjunction with FactorWise, then all the accounting and printing can be done at the FactorWise end leaving the Broker to arrange and enter the Insurance and trigger Renewals and MTAs.

All the documentation is printed at the Property Manager's offices through the PIPA/FactorWise link and all the collection of money and sales transactions are done at their end. FactorWise will send Changes of Owner (Sales) automatically each night so that the Insurance Broker will always have a note of all the current Owners' names and addresses without having to enter them. They will not have to communicate with the Owners at all. Requests for additional insurance will come from the Property Manager. The documentation that is derived from Renewals and MTAs will be printed out at the Property Manager under Insurance Broker's control. This leaves the accounting side of the PIPA program redundant in this case, however the program has a complete accounting system and premiums can be invoiced and arrears collected from individual property owners as required.

What affect will PIPA have on your business?

Block Building Insurance carries a heavy administrative burden. In most cases this gives rise to clerical mountains and periods of stressful activity at renewal time. PIPA goes a long way to removing these and making an Insurance Broker's life much easier. This makes possible considerably more profit and job satisfaction for the Property Departments of Insurance Broker's. The market is buoyant for Block Management Companies as a result of the recent boom in building. All these new properties and developments all have to be insured. This puts Insurance Brokers in a strong position but expansion is only available for those Brokers that can cope with it.

What computer environment does PIPA need?

PIPA requires a Microsoft environment. Any PC running Microsoft Windows 2000, XP or Vista will run PIPA. We recommend each PC has a minimum of 512 GB of RAM. PIPA can be run on a Peer-to-Peer Network for up to four PCs. For more than four PCs a Microsoft Network is recommended (SBS or MS Server). We have firms running up to 50 PCs, though a dedicated application server is required for these large systems.

PIPA comes with a mandatory Rental & Support Contract and a requirement for us at SystemWise to be connected to your PIPA directory via a secure connection for support and training purposes.

Installation

PIPA is always installed by SystemWise staff. The system will require an activation key and a licence and registration issued from SystemWise. SystemWise will in most cases put up to 1000 properties onto the system for you prior to the installation visit. The visiting installer will then show you how to set up the Clients, the Policies, the Properties and their Owners. An additional visit, by SystemWise, ensures the work done is entered correctly and provides further training for your staff on the Day to Day running.

Costs

The way PIPA is sold is quite different from other software. There is a charge per initial site licence to cover the number of properties the system will take. Thereafter there is only the Rental and Package Support which is charged on a monthly amount based on the number of Properties in the system. You can have as many terminals on one site as you need. There is no charge for updated or new versions. All PIPA users get the same program which is continuously being improved so if you get some program functions added they are programmed free and everyone gets them. Of course, if you have a special programming need which others would be not be interested in then we charge for it. There is a charge for setting up special screens for particular schemes.

This method of pricing PIPA allows us to continuously improve the program and link our success to your success. The more properties you insure the more profitable it becomes. There is an economy of scale but larger brokers pay as little as £1 per property per year. When the licence limit is reached the system will let you know via an onscreen message. The licence can be increased every one thousand properties.

Who are SystemWise?

At SystemWise we have more than 20 years experience designing and building niche market software. Typically we undertake the more complicated software applications. Property Management and Insurance Broking are both heavy on administration and complexity. Ask for references from users who use our software and support services. We stand by our reputation for excellence.

Contact SystemWise

Justin Kennedy (Managing Director)

107 Saughtonhall Drive

Edinburgh

EH12 5TS

Tel: 0131 313 0707

Email: justin@systemwise.co.uk

Web: www.systemwise.co.uk