Mainframe Integration Works for Giants of the Insurance Industry

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Attunity's out-of-the-box CICS adapter simplifies a convergence project for Xchanging Ins-Sure Services, a joint venture of Xchanging Ltd. with Lloyd's of London and the International Underwriting Association. A judicious choice of integration strategy and technology gives Lloyd's speed, savings, agility, and a way to handle insurance claims more responsively.

Lloyd's of London is the world's leading insurance market, the second largest commercial insurer, and sixth largest reinsurer. The International Underwriting Association of London (IUA) is the world's largest representative organization for international and wholesale insurance and reinsurance companies. The two giants have united with Xchanging, a leading provider of outsourced services to the insurance industry, to modernize the London insurance market.

In order to be successful, Xchanging needed to resolve incompatibilities between Lloyd's and the IUA's claims and premiums processes, in terms of both business operations and systems integration. As important, the group had to avoid the potential problems of a soon-to-be-unsupported hardware platform for one of the systems. The business goals were equally compelling: align back-office claims and premiums processing; realize consistent operations processes; share IT resources effectively; lower costs; and improve quality.

Attunity was one part of the many reasons for the success of the claims systems convergence, one of the largest projects undertaken in the London Market to date. As a result of the convergence, Xchanging will provide a single claims and single premiums system for the whole of the London Market.

A Team Effort

The Xchanging project took advantage of the full range of resources. The staff consulted with representatives from the Lloyd's market claims systems user groups and claims practitioners. It also worked with Attunity and 22 other software houses and end users. The success of the project is a testament to the hard work and dedication of the whole convergence team.

The first step was to replace COSS (Claims Office Support System) – the legacy Lloyd's market electronic claims system used by Xchanging – with CLASS (Claims Loss Advice and Settlement System). Then, Xchanging set out to consolidate methods of entering claims data while leveraging its existing functionally rich software and significant in-house expertise.

Company: Lloyd's of London has formed a joint venture with the IUA and Xchanging Ltd. The result, Xchanging Ins-Sure Services, handles over 15m electronic transactions and over 350,000 insurance claims a year while ensuring conformance with international regulatory bodies.

Objective: To converge two existing CICS processing systems, using the web to ensure more efficient and consistent customer services at a lower cost.

Solution: Attunity Connect provides standard, bidirectional integration between a J2EE Application Server and the CICS-based claims processing engine. The team achieved instant productivity, leveraging standards such as J2CA and JDBC. Now Xchanging can add and fine-tune transactions without costly rework of the adapter or front end.

Benefits: The Attunity-powered solution makes it possible to:

- Capitalize on in-house expertise and existing mainframe applications and data.
- Reduce the expense of duplicate platforms, software, service contracts, and operations.
- Increase capacity for processing business without additional headcount.
- Shorter time to market and improved productivity.
- Leverage standard, flexible integration middleware to improve business agility.

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To accomplish this, the team elected to put a Java- and HTML-based front end (based on a J2EE Application Server) on a validation and processing engine built using CICS. This decision led to a search for a way to establish communications between J2EE and web clients on one end and the mainframe element on the other.

Xchanging brought in the IT services global operator Steria to assist in the integration process and to develop the Java/HTML layer. Steria started out with a legacy adapter that was supposed to connect Java with the CICS layer, but developers were frustrated that the software didn't make their lives any easier.

The original adapter proved to be inflexible, requiring the development of stored procedures – one for every CICS transaction – and the daunting requirement for another stored procedure for every new CICS transaction. After all parties spent a great deal of time and effort working towards a suitable answer, Stuart Allan, Xchanging Programme Manager of Convergence, said, "We can't go on like this."

Steria then suggested Attunity Connect and, as Allan says, "Attunity came up trumps. It took less than a day to get up and running – we didn't need to do anything else to get Java pages running CICS transactions. It's been a great success as far as I'm concerned."

The converged system went live without any significant issues. The process converted all COSS-based open claims data to the new system free of errors. At no time during the testing and implementation phases did current users of CLASS experience any downtime or any serious disruption to their business.

Speed

Right from the beginning, Attunity accelerated implementation by simplifying connection between the front and back-end systems. The standards-based solution integrates a CICS-based claims processing engine with an Oracle 9*i* Application Server, allowing users to transact business through a web interface.

In addition, Attunity enables Xchanging to shorten the cycle of what can be a lengthy process of resolving claims. Allan explains, "Claims can be very complex. In the past, claims technicians might have to search reams of paper for the correct codes, and it was even more difficult when a claim involved US or Canadian regulations. A wrong code can take a long time to sort out, involving underwriters, brokers, adjusters, and our technicians. Now, we validate input at the Java level, using drop-down boxes and the like." Attunity provides transparent access through the Java front end to the database of codes on the mainframes.

Savings

The solution will save the joint venture money by eliminating the need for ongoing support of the older platform. However, that was never the key business driver. Xchanging expects to build a totally flexible workforce where skills are interchangeable – enabling the company to focus resources where and when they are most advantageous.

"Attunity Connect is very straightforward to use. It gives us the high-quality data we need to turn internal business processes and fixed resources into flexible commercial services."

Stuart Allan
Convergence Programme Manager
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“By making data entry more intuitive and user friendly, we can improve throughput, which will allow us to be flexible with how we use people. This will also increase our capacity for taking on potential new business without additional headcount,” projects Allan.

Agility

Attunity Connect is giving Allan’s team the freedom to merge systems in steps, first processes and then data, without waiting for a complete transfer of operations. Attunity is also making it possible to phase out older systems, reducing exposure to the potential cessation of long-term support.

Because Attunity provides a full complement of native adapters, Xchanging can elect to work through CICS transactions or go directly to the DB2 data itself, in any combination, at any time. Of course, as Allan says, “It’s pretty simple to introduce new transactions, so the team can expand the claims system in almost any direction, always counting on Attunity to deliver the right data to the right place.”

Xchanging is also looking at Attunity Connect’s support for web services to expose legacy transactions as standard, reusable services. By using the flexible and, standard integration middleware, Xchanging will be able to increase its business agility.

As a result, the Lloyd’s Market of investors and underwriters will enjoy better returns and decreased exposure to losses. Brokers, managing agents, member agents will appreciate expedited and expanded services. And insurees will appreciate speedy claims resolution.

The Future of Convergence

Xchanging plans to use the same strategy to converge the premium-handling systems for Lloyd’s and the IUA, and the company will be counting on Attunity Connect to achieve the same kinds of results. Per Allan, “We’ve proven over the last six months that Attunity is absolutely spot on. It’s straightforward to use, and it gives us the high-quality data we need to turn internal business processes and fixed resources into flexible commercial services."

Xchanging recognized that convergence of the London Market's systems represented an opportunity for improvement and modernization. The organization is applying the full range of technologies to realize these benefits.

TECHNICAL SUMMARY

Client
Oracle 9*i* Application Server
running on SUN Solaris

Interfaces
JCA (J2EE Connector Architecture)

JDBC

Server

CICS and DB2
running on OS/390

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