

GXS Managed Services for Insurance

Insurance Today

For many insurance company CIOs, the next five years will mark a significant turning point for the industry. Key insurance markets in much of the Americas have matured and new growth is expected to be fueled by globalisation. As business leaders expand their organisations to encompass more remote employees and as regulatory reform continues in developing countries, many insurers are seeing opportunities for expansion in foreign markets. These new global market opportunities are creating the need for products and services that can effectively connect, communicate and administer programs to a demographically, culturally and geographically diverse customer base.

However, many insurance firms do not have the resources, the infrastructure or the technological expertise to meet their commercial customers' increased demands. They are not equipped to overcome political and regulatory challenges, create local partner relationships in foreign markets, serve new customers located around the globe and/or to limit risk exposures. They are particularly challenged to manage these issues while also trying to contain costs and ensure customer satisfaction. Many are struggling to support the new requirements of the global market with outdated paper-centric processes and expensive legacy systems that are difficult to integrate in a business-to-business (B2B) environment.

In many cases, they cannot even deliver solutions to meet their corporate customer's preferred level of technical integration due to one or many of the following:

- **Mainframe-based file gateways**—Many major insurance firms still operate B2B integration gateways on legacy mainframe technology. Depending upon the age of the systems, these mainframes may suffer from performance and capacity limitations or may experience extensive downtime to complete routine maintenance. Mainframes are typically more expensive to operate and maintain than newer, UNIX, Linux or Windows-based platforms. Consequently, IT costs are negatively affected by expensive mainframe processing, storage and maintenance fees.
- **Duplicate B2B integration platforms**—In some cases, insurance firms may be running more than one file gateway to integrate with business partners. Duplication is often the result of mergers and acquisitions in which systems were inherited, but never consolidated. Not only do these redundant systems add unnecessary cost to operations, they also complicate procedures for partners who need to interface with multiple systems.
- **Legacy telecommunications infrastructure**—Many insurance firms have thousands of small and medium business clients who still utilise legacy desktop applications. These desktop applications typically upload and download information using a dial-up connection. As a result, you are required to maintain an expensive telecommunications infrastructure to support these clients. Finding support for these legacy networking applications is increasingly challenging as experienced personnel retire and telecom products reach end-of-life.
- **Limited networking options**—Most insurance firms offer their business partners a choice of few Internet protocols to exchange information. The most popular protocol is Secure FTP over an Internet VPN. However, insurance firms and corporate clients are increasingly utilising a broader range of security and networking protocols for business-



COMMON B2B INTEGRATION CHALLENGES:

- Poor data integrity
- Mass of regulatory and financial reporting requirements
- Delayed customer response due to a lack of data transparency
- Paper-centric data environment resulting in high error rates

to-business communication. Among the more popular emerging standards are AS2, AS3, HTTP/S and SOAP. However, IT organisations are challenged to add a broad range of communications protocols to their portfolio of services. Attempts to satisfy unique requirements often are subjected to extensive review boards and change control procedures.

- **Limited file format options**—Insurance firms typically offer their partners a choice of a few standard formats to send and receive information. The most popular formats include EDI, XML, ACORD, FIX and SWIFT. Increasingly, corporate clients are requesting to send and receive information in the native format of their ERP applications. Most insurance firms struggle to support a diverse range of electronic document standards. To manage the increasingly complex demands for external communications you need a flexible, scalable, high performance business-to-business (B2B) integration infrastructure that can accommodate not only the changing dynamics of your business, but the wide variety of systems and processes your business partners require.

GXS Managed Services provides you the capability to quickly and completely meet these challenging and diverse requirements, giving you a competitive advantage in the marketplace.

GXS Managed Services

GXS can provide you with the technology, people and processes to integrate with corporate clients, business partners and key suppliers anywhere in the world, no matter their location, language, currency or technology preferences. GXS Managed Services takes advantage of our worldwide B2B integration network—the GXS Trading Grid®. The Trading Grid is the world’s largest B2B integration platform used by over 100,000 trading partners including 70% of the Fortune 500 and 250 major financial services firms around the globe. Corporations and insurance firms use the Grid to exchange a wide variety of business data related to banking, insurance, securities or supply chain transactions. As a result, you can confidently offer your clients and partners around the world a variety of electronic integration options.

GXS Managed Services provides you with a wide range of services for B2B integration including map development, new implementations, program management, systems integration and call center support. Managed Services frees you from the constant concern and risk of configuring, monitoring and managing the electronic transactions with external entities.



File & Messaging Services

The foundation to the GXS solution is a suite of file and messaging services. The messaging services enable you to exchange information associated with banking, insurance or securities transactions with your clients, partners and suppliers. GXS gives you the flexibility to exchange information in a variety of file format, network protocols, and security standards.

- **Network Protocol Mediation**—GXS supports a wide variety of network protocols including Internet protocols such as SMTP, FTP/S, HTTP/S, AS2 and AS3; proprietary middleware and application formats such as SAP ALE and IBM MQ Series; and legacy mainframe or dial-up protocols such as SNA, Async and Bisync.
- **File and Message Transmission**—GXS can transmit information to your business partners in any file format. Data can simply pass through the GXS infrastructure unchanged or files can be translated from external file formats to your in-house application file structures.
- **File Types**—GXS can process both structured and unstructured data files. Structured data such as payment instructions, account statements, insurance claims and securities orders can be transmitted in, ACORD XML Schema, EDI, ANSI X12, SAP iDoc, Oracle or other formats. Unstructured documents such as images of cleared checks or health care explanations of benefits can be transmitted as TIFF, GIF, ZIP, TAR or other file formats.

GXS has undertaken a multi-million dollar project to improve the reliability, performance and scalability of its infrastructure. Advantages of the new technical architecture include:

- **Reliability**—GXS maintains a leading edge business continuity program that ensures resiliency in the event of an application, system or hardware failure. Two world-class data centers are the foundation of a redundant global infrastructure that includes Linux-based blade servers, mirrored RAID disk drives, clustered database systems, and uninterruptible power systems. GXS utilises multi-data center failover connections to provide you and your clients the highest levels of business continuity.
- **Scalability**—GXS provides a robust global B2B integration platform that supports over four billion transactions exchanged between over 100,000 trading partners around the world annually. The GXS architecture is built upon utility computing principles. Additional capacity can be provisioned rapidly to meet growing transaction volumes.
- **Performance**—GXS utilises best-of-breed, service-oriented technology to deliver high performance capabilities to you and your clients around the world. Compared to legacy mainframe applications, GXS file and messaging services offer substantially higher capacity and throughput. As a result, you can satisfy the most demanding service level agreements.

Implementation Services

GXS has the skills and resources to on-board your clients, partners and suppliers regardless of their size, location or technology proficiency. B2B implementations are a core competency at GXS. We conduct approximately 10,000 customer migrations and implementations annually all over the world. Advantages of GXS approach to new client implementations include:

CLIENT ON-BOARDING EXPERTISE

- 10,000 customer migrations and implementations per year
- Direct operations in 20 countries
- Local client support in 20 different languages
- Robust change control and validation processes

GXS MAPPING CENTER OF EXCELLENCE

- Low-cost map development center
- 150 mapping professionals
- Capacity to produce 10,000 maps per year
- High performance mapping technology achieves over 250,000 translations per hour

- **Trading Grid Network**—GXS is a leading provider of B2B e-commerce to both small and large businesses. Corporations in the insurance, automotive, high tech, consumer products, pharmaceutical and retail sectors use our Trading Grid every day to exchange thousands of electronic documents. GXS Managed Services is integrated with the Trading Grid, providing you with immediate electronic access to a global network of businesses around the world. Because over 70% of Fortune 500 corporations are on the Trading Grid already, chances are high that your clients are already connected to GXS.
- **Local Implementation and Support**—GXS has operations in 20 different countries as well as joint ventures or distributors in another 30 countries. As a result, GXS can help you implement a new customer nearly anywhere in the world. GXS provides technical support in 20 languages, including French, German, Spanish, Italian, Chinese, Korean and Japanese.

GXS takes a multi-phased approach to each implementation consisting of three primary steps:

- **Requirements Gathering**—As part of the pre-sales process, GXS will help your company outline the components, requirements and timing for your B2B program. Scoping efforts include process and support, technical design, and complete project requirements.
- **Technical Configuration**—Based upon business requirements captured, GXS will design, develop and test the necessary data translation maps, file transfer scripts and data enrichment services to support your B2B program.
- **Production Deployment**—Each customer deployment is conducted via a well-defined change control process. Functional verification is ensured through a battery of unit and system level tests. Once deployed, GXS continually monitors the environment during a stabilisation period to ensure success.

Map Development Services

GXS can map client file formats to and from your in-house proprietary applications. GXS has a Mapping Center of Excellence with over 150 mapping professionals. GXS can quickly and effectively deliver high quality maps to ensure you exceed your client requirements.

Advantages of GXS mapping services include:

- **Breadth of Formats**—GXS supports a wide variety of e-commerce formats and protocols. Supported EDI formats include regional standards such as EDIFACT, ANSI X.12, EAIJ and Tradacoms. GXS can map to and from vertical industry specific XML standards that your corporate clients may be using such as RosettaNet, VDA, CIDX, PIDX and ebXML. GXS also has extensive experience mapping file formats for popular ERP systems such as SAP, Microsoft and Oracle (including Peoplesoft, Retek and JD Edwards). GXS can map into the file formats of your in-house product applications or to popular insurance industry formats such as ACORD, SWIFT or other industry standards.
- **Complex Mapping**—GXS supports a variety of complex mapping scenarios including merging of information from multiple electronic documents into one; splitting of content from one file into multiple documents and reorganising content within one file. Additionally, data can be modified, augmented or omitted using conditional logic, database inquiry or external application interface.

GXS PROGRAM MANAGEMENT CAN SUPPORT:

- New Client Implementations
- Legacy System Migrations
- New Product Rollouts
- Product Retirement
- Core System Upgrades
- Mergers and Acquisitions
- Divestitures
- Corporate Reorganisations
- New Regulations
- Geographic Expansion

PREMIUM SUPPORT FEATURES:

- Personalised greeting in your brand name
- Specialised escalation procedures
- Customised ACD and IVR configurations

- **Mapping Technology**—GXS mapping services are based upon our award winning, any-to-any mapping and translation server, Application Integrator™ (AI). AI delivers world-class translation performance through an easy-to-use, drag-and-drop interface. GXS has used this technology to put over 200 different document types into production, across a broad range of B2B formats and protocols.

Global Program Management

GXS provides a designated program manager to oversee your global B2B program. As a result you can provide a consistent level of high quality service around the world.

- **Global Program Manager**—GXS uses a combination of centralised and regional program managers to ensure the success of your B2B integration projects. Regional program managers will be assigned as appropriate in local countries throughout Europe, Asia Pacific, North America, and Latin America. A central program director manages all activities globally, acting as a single point of accountability for your projects.
- **Flexible Engagement Model**—GXS has executed thousands of complex integration projects. We will design an organisational structure to match your company's program management needs. A number of engagement models exist for interactions with clients and partners: 1) GXS can lead engagements, 2) your internal resources can lead engagements, or 3) a joint leadership model can be deployed.
- **Standardised Procedures and Documentation**—Through global coordination, GXS will ensure that consistent procedures are applied to engagements throughout the world. As a result, you can rest assured that the same documentation standards, testing methodologies, security policies, and change control procedures are enforced for each project.

Premium Support

GXS offers a premium level of technical support designed to meet the unique demands of insurance firms. Premium support includes a dedicated help desk, customised escalation procedures, and specialised support resources.

- **Dedicated Help Desk**—GXS will set up a help desk and support team dedicated to you and your business partners. GXS will answer the hotline with a personalised greeting that can include your brand name. Specialised technical support experts can be trained in your business processes and unique technical requirements.
- **Customised Business Processes**—GXS can customise escalation and support procedures to fit your existing business processes and environment. For example, you can set different escalation procedures for different corporate clients depending on their unique needs.

Benefits of Managed Services

GXS Managed Services can enable you to differentiate the quality of service provided to your clients, channels and partners through improved:

- **Flexibility of Delivery**—GXS can increase the level of flexibility you can offer business partners for integration. Through GXS you can offer your partners the freedom to use their preferred data network protocols, security standards, and file formats.

GXS SUPPORTS THE FOLLOWING:

File Formats

- ERP formats—SAP, Oracle, Microsoft
- EDI—ANSI X.12, Tradacoms EDIFACT, EAIJ
- XML—RosettaNet, CIDX, PIDX
- Insurance Standards—ACORD
- Proprietary formats

Network Protocols

- SMTP
- FTP/S
- HTTP/S
- AS2
- AS3
- SNA
- Async
- Bisync
- IBM MQ Series

- **Speed of Delivery**—GXS can accelerate timeframes for new B2B projects. Rapid implementation enables you to quickly migrate off more expensive, legacy platforms with faster access to new capabilities.
- **Quality of Delivery**—Through best practices and deep expertise, GXS can reduce the number of setup and post-implementation challenges you will experience.
- **Performance and Capacity**—GXS best-in-class technical infrastructure enables much faster throughput and higher capacity than typical in-house systems. As a result, you have the flexibility to meet even the most demanding service level agreements.

GXS Managed Services offers advantages to your organisation:

- **Cost Advantages**—Leveraging a hosted solution managed by GXS can enable you to retire expensive legacy systems such as mainframe-based client file gateways and modem-based dial-up telecommunications infrastructure. If you are running multiple B2B gateways the cost advantages may be even more significant as duplicate systems can be consolidated onto the GXS infrastructure. Lower operating costs enable more competitive pricing and higher gross margins for your product line.
- **Focus on Core Competencies**—GXS Managed Services can simplify the day-to-day operations of groups across the organisation including product management, client delivery and information technology. Offloading non-core functions enables you to redeploy resources on higher value business projects.
- **Extensibility to other Product Lines**—The GXS Managed Services solution can be extended to other business units or product lines. GXS can be used as a shared service model that the life, health, property and casualty divisions within your institution can leverage.

About GXS

GXS is a leading global provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration among trading partners. Organisations worldwide, including more than 70 percent of the Fortune 500, leverage the on-demand services on GXS Trading Grid® to extend supply chain networks, optimise product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. GXS Managed Services, GXS' B2B outsourcing solution, empowers customers with the expertise, technical infrastructure and program support to conduct B2B e-commerce with trading partners globally. Based in Gaithersburg, Md., GXS has an extensive global network and has local offices in the Americas, Europe and Asia-Pacific regions. GXS can be found on the Web at www.gxs.co.uk.



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UNITED KINGDOM

18 Station Road
Sunbury-on-Thames
Middlesex TW16 6SU
United Kingdom
+44 (0)1932 776047 t
+44 (0)1932 776216 f
www.gxs.co.uk

NORTH AMERICA AND GLOBAL HEADQUARTERS

9711 Washingtonian Blvd.
Gaithersburg, MD 20878, US
+1-800-560-4347 t
+1-301-340-4000 t
+1-301-340-5299 f
www.gxs.com

FRANCE

Cachan Porte Sud
191, av. Aristide Briand
94230 Cachan
France
+33 1 46 73 16 00 t
+33 1 46 73 16 01 f
www.gxs.fr

GERMANY

Leyboldstrasse 16
50354 Hürth-Efferen
Germany
+49 2233 609 0 t
+49 2233 609 205 f
www.gxs-gmbh.de

ASIA PACIFIC

Room 1609-10
16/F China Resources Building
26 Harbour Road, Wanchai
Hong Kong
+852 2884-6088 t
+852 2513-0650 f
www.gxs.asia.com