

# Penn National Insurance

## Real-Time Documents Provide Faster Time to Market with a Personal Touch

Penn National Insurance provides property and casualty insurance and surety bonds to businesses and individuals through a network of more than 700 independent agencies in nine eastern and Mid-Atlantic states. The company ranks among the top eight percent out of more than 1,000 national competitors based on net premiums written. Additionally, *Computerworld* lauded the firm with its "Best Places to Work in IT" award in both 2004 and 2005.

Founded in Harrisburg, Pennsylvania in 1919 by a farmers' association that was dissatisfied with the high cost of workers' compensation insurance, Penn National has stayed true to its roots by always putting the policyholder first. So when the company wanted to deploy a single, comprehensive infrastructure for its batch and real-time document applications—one that would improve time to market and create a more automated yet personalized touch through its critical customer documents—an industry search for the right solution led them straight to Exstream's Dialogue enterprise personalization software.

### MOVING INTO REAL TIME

"Penn National's commercial business comes from many small businesses and to provide them with the best service, we believed strongly that automating as much of the process as possible—and minimizing human intervention with the policies—would take the burden off the underwriters and support staff, while allowing them to spend more time supporting their customers," said Tim Caskey, senior systems analyst at Penn National. "In evaluating technology solutions that would allow us to do that, we found that Exstream Software's Dialogue offered more robust capabilities than alternative solutions we evaluated to automate the management of policyholder and agent communications. We saw Dialogue as a way to set us apart from the competition."

### FASTER OUTPUT, MORE UNDERWRITER CONTROL

Exstream's Dialogue software was implemented at Penn National in just six weeks. Since implementation, documents are now constructed by pulling data from Penn National's Phoenix policy administration system, which is stored on a Microsoft SQL Server database and then sent to Dialogue for document production.

The new process using Dialogue allows Penn National to create policy worksheets and other client-specific documents in real time and present them online for underwriter approval and agent review in a matter of minutes.

Penn NATIONAL INSURANCE  
 Pennsylvania National Mutual Casualty Insurance Company  
 P.O. Box 2081 - Harrisburg, PA 17105

COMPANY: Pennsylvania National Mutual Casualty Insurance Company      Commercial Property Worksheet

QUOTE/POLICY NUMBER: CL60003837  
 INSURED: MONICA 0169 AGENCY

LOCATION: 1      BUILDING: 1      STATE: AL      TERRITORY: 540

PROTECTION CLASS: 1      GROUP II SYMBOL: B  
 CONSTRUCTION: FRAME  
 RATE PLAN: SPECIFIC RATED      EXCLUSIONS: AMOUNT OF INSURANCE: \$3,232  
 DEDUCTIBLE: \$500      WIND/HAIL AMOUNT OF INSURANCE: N/A  
 WIND/HAIL DEDUCTIBLE: N/A

**RATE MOD FACTOR CALCULATION:**  
 DPM    MLDPC    Commission Reduction    Other    Package Mod    Rate Mod Factor  
 1.000    X    1.000    X    0.870    X    1.000    X    0.820    =    0.713

**CLASS CODE: 6009 - ABRASIVE WHEEL MFG.**

SUBJECT OF INSURANCE: BUILDING      INFLATION GUARD: N/A  
 COINSURANCE: 80%      AGREED VALUE: NO  
 CAUSE OF LOSS: SPECIAL W/THEFT  
 INCL IN BLANKET: NO

GROUP I MODIFIED RATE	LIMIT OF INSURANCE	PREMIUM
8.133	\$3,232	\$263
<b>GROUP II MODIFIED RATE</b>		
12.199	\$3,232	\$304
<b>SPECIAL W/THEFT MODIFIED RATE</b>		
0.073	\$3,232	\$2
<b>TOTAL FOR: BUILDING</b>		<b>\$669</b>

102.00  
 142.00  
 92.00

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This is not a contract. It provides an indication of premium based on the information entered into the rating system and does not represent a guarantee of premium or coverage. The ability to bind coverage is subject to the proper application of Company underwriting guidelines.

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*Penn National is using Dialogue to produce personalized communications in real time for online underwriter approval and agent review.*

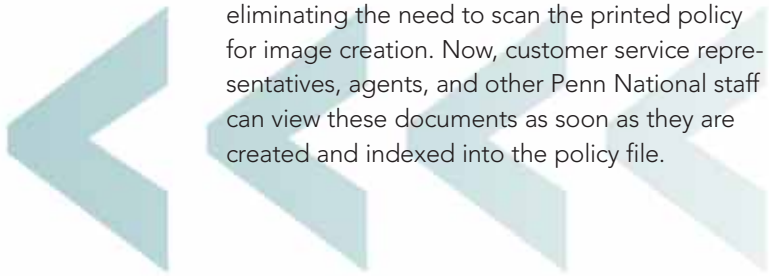


Underwriters then remotely drive the real-time production process by authorizing the policy to be printed only after it has been approved.

Before Dialogue, underwriters' computers would be tied up for several minutes while a document was printing and, the more vehicles that were covered on the policy, the longer the printing took. In addition, in the original Phoenix system, requesting format changes such as creating page breaks and setting margins was challenging. Dialogue changed that by interacting with the computer for just a second or two—even if there are 100 vehicles on the policy—allowing the underwriter to continue being productive without being interrupted.

In addition, with Dialogue Penn National can dynamically name the files with the individual policy number and time stamp, and run several different files and production engines at the same time—something not possible in the previous batch environment.

To improve the production process even more, Penn National decided to configure the system so production jobs wouldn't conflict with each other on the way to the company's imaging system. Using Microsoft's MSMQ, they set up six separate queues that control the printing with Visual Basic .NET code in real time. This enabled Dialogue to create a TIFF image for Penn National's archives, eliminating the need to scan the printed policy for image creation. Now, customer service representatives, agents, and other Penn National staff can view these documents as soon as they are created and indexed into the policy file.



"We are extremely impressed with the speed in which we can design documents with Dialogue and how fast the production engine creates the finished product," said Caskey. In fact, Penn National is so enthused about the time savings and cost reduction that it is looking at every department to study how they are creating documents to determine whether it makes sense to convert those documents into Dialogue as well.

#### EXPANDED CAPABILITIES ON THE HORIZON

Going forward, plans are in the works to print explanations of benefits (EOBs) and checks for vendor payment in one print stream so they can be mailed in a single envelope, eliminating the need to manually match the EOB with the check and providing additional postage savings. "Because of opportunities like this, we want to use Dialogue as much as we can," said Caskey.

Penn National is also taking advantage of Dialogue's intuitive design environment to push the creation of static insurance documents out to its administrative staff for additional time savings. And, the company plans to create an environment for its agents, similar to the one it has created for its underwriters, where they can view documents online and print them locally, resulting in significant projected savings in warehousing, printing, paper and postage costs.

Penn National's innovative use of Dialogue to produce documents in real time is a testament to the company's commitment to provide customers with the best possible service. Using Dialogue, Penn National Insurance will surely maintain its competitive edge.