



## **MGAM** - "INNOVATIVE INSURANCE IT SOLUTIONS; FROM CONCEPT TO CREATION"

MGAM may be a relative newcomer in the insurance world, but it's already establishing itself as one of the most innovative Managing General Agents (MGA) in the business. With a focus on the London and Provincial markets, it aims to fulfil the role of custodians of carrier capacity, providing insurers with underwriting and distribution cost management services, alongside competitive access to markets.

As a new independent company, MGAM understood the need to hit the ground running, with efficient and accurate IT processes in place from the outset. Indeed, start-up success hinged on MGAM launching with a robust

infrastructure already established, providing clients with effective and sophisticated technological solutions. Certainly, in recent years, technology has been a topic of significant concern within the insurance industry, which has

long depended on antiquated processes. With the introduction of Solvency II and increasing pressure from regulators for data reporting compliance from insurers, it's clear that it's time for the trade to change. For many established ►

and larger companies, embracing modern technology and new modes of working is a challenge. Fortunately, as a new company, MGAM avoided the legacy of historic and out-dated technological systems.

### THE BRIEF

Founded in January 2016 and based near Embankment, London, MGAM was the brainchild of CEO Jason Anthony. After 32 years in the underwriting business, Anthony spied a gap in the market; many MGAs circulated the same products, with little or no differentiation, limiting the potential value of services offered to carriers and clients. MGAM dared to be different, pioneering an underwriting management solution which partnered with unique or niche distribution

channels via a traditional coverholder binding authority model.

These systems would not only allow MGAM to facilitate traditional coverholder and binder business, but also offer options to insurers who require management of their data and back office services. Such a comprehensive approach would necessitate not only a bordereaux data management solution, coverholder management system and reporting platform, but also an additional Insurance Broking Accounts (IBA) system. MGAM needed to find some serious insurance industry IT expertise to translate its ambitions into tangible products. "Initially, we looked at a supplier who had an IBA system

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Jason Anthony, *CEO at MGAM*

with a pre-built package, but no bordereaux management software. Another supplier we considered would have to add IBA as a third-party product. Neither solution was ideal." Says Anthony, "We wanted one supplier who could provide all systems integrated to avoid any mishandling of information through the software."

### THE SOLUTION

Ambant Underwriting Services, MGAM's Principal and provider of regulatory and back office services, pointed MGAM in the right direction; cue VIPR. As leading providers of software solutions for the insurance industry, VIPR's CEO Bob Brown and Development Manager Gavin Harrison presented MGAM with a core systems package initially comprised of three products; bordereaux, data and coverholder management and reporting. It was clear that VIPR could produce the systems required, although at this point, MGAM were still expecting to have to adopt a separate IBA system to manage distribution costs. ▶



Discussions began in February 2016, contracts were signed in April and in May, the suggestion of creating a bespoke, integrated IBA system was introduced. It transpired that MGAMs Head of IT, Leigh Ryan, who was leading the IT project for MGAM, had also worked with VIPR in the past. "I could vouch for their flexibility when it comes to their client's needs." says Ryan.

"VIPR had the coverholder and bordereaux management software systems and reporting platform that we wanted, and they were very confident in their abilities to produce an IBA system fit for purpose." said Ryan, "The fact they could produce all systems, with three of them fully tried and tested, made the decision to instruct VIPR an easy one."

### THE PROCESS

This was the beginning of a close partnership, with both sides collaborating to create a fully-integrated system which minimised inefficiencies and maximised profitable growth. Working side-by-side every step of the way, VIPR allocated dedicated resource to work with MGAM full-time, alongside Ryan. VIPR's work was assessed week-on-week, revising, discussing amendments and testing all developments to ensure reality was in line with expectations.

The most challenging project was developing the IBA system. This wasn't

just important to MGAM, but also to its regulators, Ambant, who would be managing MGAM's IBA reconciliations. Both companies required a system which would be able to handle a high number of bordereaux transactions. It would also need to manage the collection of coverholder funds allocation of MGAMs income, and accurately calculate and distribute premiums, commissions and taxes. "The hardest part is managing how the money is split between the different stakeholders" said Ryan, "We needed an IBA system which could do this for us."

Building the IBA platform was a completely bespoke venture and a sharp departure from current, out-dated industry standards used by other MGAs. Tailored exactly to MGAM's and Ambant's needs, the IBA product development was guided by scoping sessions, with bi-weekly and weekly meetings set up to review the structure and functionality at different stages of the project development.

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Gavin Harrison, *Development Manager at VIPR MGAM*

An IBA professional from Ambant was on hand during the scoping and development phase, providing Ryan with expertise and advice. "This wasn't just a partnership between us and MGAM, but also Ambant." explains Harrison. "Ambant was heavily involved in the process from the start and during its progression, bringing plenty of expertise in IBA systems and a clear view on what they wanted to build the best system." To make sure MGAM's vision was being accurately realised, an independent IBA expert provided consultation and review of VIPR's bespoke IBA proposal. It was quickly approved.

Whilst IBA development was in full swing, VIPR was installing its coverholder approval and management solution, Intarga, and its bordereaux management software, Intrali.

Intarga was implemented first. The system ensured that the on-boarding of any new business to MGAM went through the proper due diligence process, capturing all relevant information and rigorously screening partners to provide an additional benefit to MGAM. "Intarga's filtering process assists us to select only the highest quality coverholder partners." explained Anthony.

Next up was Intrali; a software solution designed to capture data specific to the bordereaux MGAM receives from approved business. Written and claims ►

bordereaux data is validated, cleansed and standardised making it easier for MGAM to report internally and to their respective business partners. "The system is able to spot any errors MGAM instructs it to, checking hundreds of rows of data in minutes." Explained Harrison. This not only increases efficiency, but also accuracy when compared to a manual screening process.

Alongside Intrali, Active Reports was installed, providing a means for MGAM to report on their coverholder, binder and bordereaux data, with quick, effective statistics that are in line with the recently implemented Solvency II requirements. VIPR worked closely with MGAM to tailor the tool to display everything that MGAM needed to see to manage its business and provide quality MI reporting.

In practice, VIPR has made the process very simple. Ryan explains, "For example, we receive a bordereaux which has 300 items on it. It's successfully loaded into Intrali, feeding directly into the IBA. The ledger for the coverholder updates with the transactions which are then included within their monthly statement of account. When payment, along with their remittance advice is received, we can mark transactions for a complete bordereaux and quickly unmark items that haven't been included for payment and match it to the cash received. Having the systems mark the transaction on

mass and to have confidence in the process is very key for MGAM."

As the project evolved, beta-testing of the platforms began in October 2016, before progressing towards full User Acceptance Testing (UAT) in February 2017. This phase included a full regression test to assess the system in its entirety, and resolve any final problems prior to handover to Ambant for a final UAT, which is scheduled to take place during March 2017.

### LOOKING AHEAD

With coverholders on the books since November 2016, MGAM is delighted with solutions that VIPR have provided. "We have had a very positive experience working with VIPR," enthuses Ryan. "Our partnership has meant we have been able to define the systems to get exactly what we want. We're extremely confident in what has been produced so far, and that it will be far superior in its efficiencies."

Facilitated by VIPR's Intarga, Intrali and Active Reports, MGAM can offer a first-class underwriting management solution, provide improved services to coverholders and deliver better underwriting results to insurers. With the addition of the fully-integrated, bespoke IBA system, MGAM are uniquely positioned to offer comprehensive and scalable processes which handle the entire scope of business.



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Jason Anthony, *CEO at MGAM*

Bob Brown, CEO at VIPR commented, "It is a pleasure working with MGAM. We have really enjoyed the challenge of creating a completely personalised product. It required real collaboration and co-operation and by keeping the teams close-knit, we could produce a solution which gave the best results for the client. We look forward to a long future with MGAM and seeing them flourish."

MGAM Founder, Jason Anthony, concludes "We now have the infrastructure in place to sustain in the MGA sector, enabling us to add value to carriers and our clients by disrupting the market and finding untapped distribution channels. Our focus is on delivering exceptional service to our clients, and with VIPR we have the IT solutions to help us do just that. VIPR have been completely adaptable to our needs and I'm confident we will continue to see benefits both now and into the long-term." ✓