



# Riskmaster Accelerator

## Multi-Currency Workflow

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## **Multi-Currency Approach**

For any Insurance or financial organization, to successfully run its accounting and operations, issue of handling various currencies needs to be addressed comprehensively. For an existing system, adding multi-currency capabilities is a much thought affair because the new capability should provide coverage for all existing financial functions besides enhancing the system.

In RISKMASTER Accelerator (rmA), the system first configures an anchor currency which can be converted to any other currency using exchange rates. This is a well-accepted and standard approach of implementing multi-currency in IT systems. This anchor currency is known as “Base Currency”.

This is the highest or broadest level of currency setting in the system. Due to the nature of operations in Insurance, a currency can be different at various functional points. For example, a claim may need to be recorded in the regional currency (Canadian dollars) even though base currency (US dollars) is different.

A further level of complexity arises where the payment on the claim has to be made to a 3<sup>rd</sup> party in Mexico – here we introduce payment currency.

A rarest case may arise when even Policy currency and claim currency are different – which means policy and claim reserving is done in different currency.

rmA Design supports all of the above cases.

The rest of the document fleshes out details about setup of these currencies, exchange rates handling and how the GUI would display financials.

## **rmA Multi-Currency Workflow**

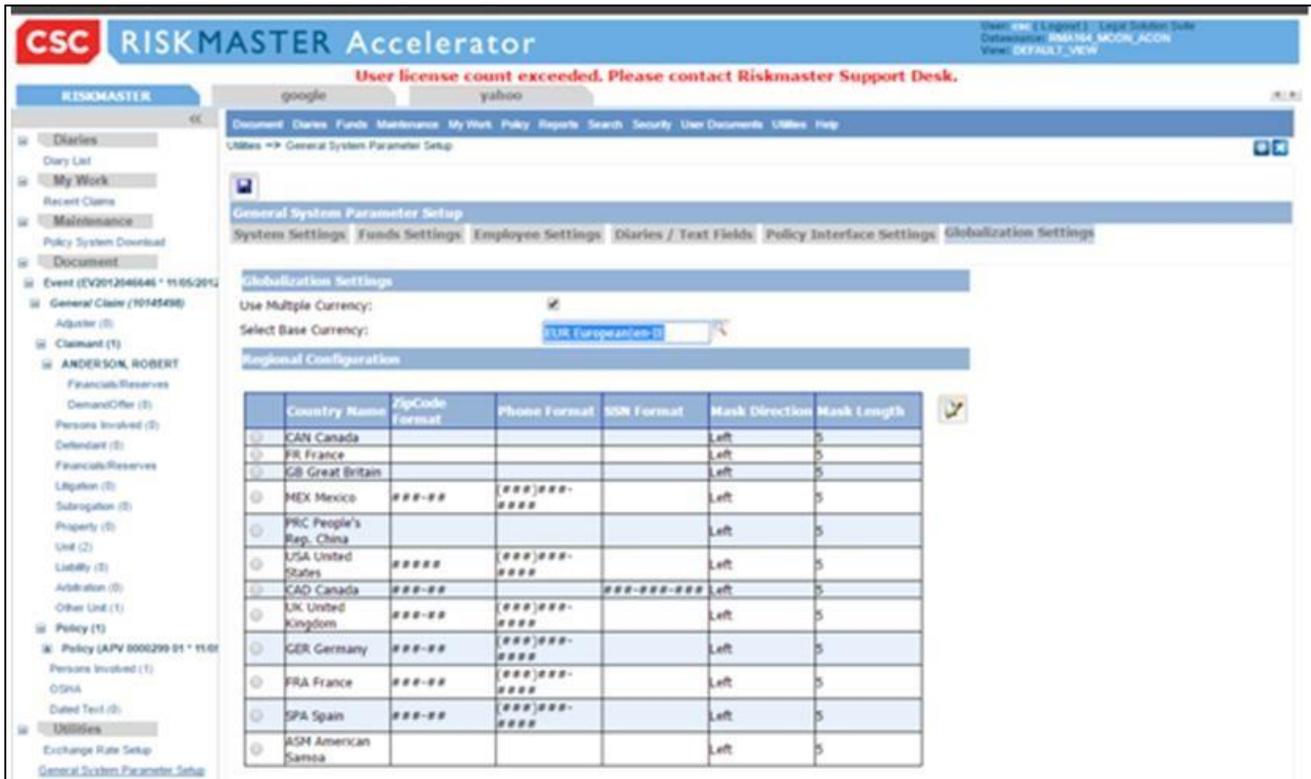
System provides setup and configuration for currencies at multiple levels as following –

1. Base Currency
2. Claim Currency
3. Policy Currency
4. Payment Currency
5. Exchange rates configuration
6. MC complaint Financial screens

# 1. Base Currency

## General System Parameter Setup Screen

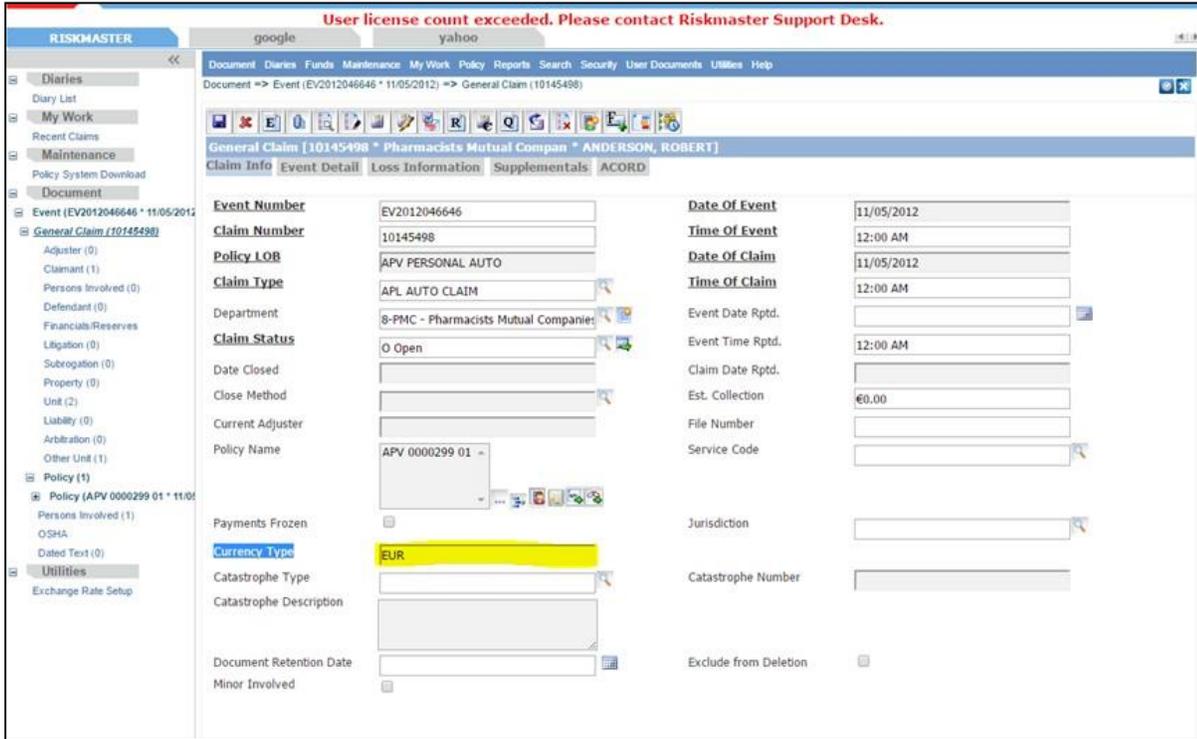
- From the main menu Utilities, select System Parameters > General System Parameter Setup.
- Select the Globalization Setting tab.
- Select the check box, to activate the Multi currency.
- Set the Base currency.
- Enabling Multi-currency is one time change, system doesn't recommend to turn it OFF once enabled.
- It's one time setup and can't be changed later.



## 2. Claim Currency -

### Claim Screen

- User can't process financial without setting currency type for claim.

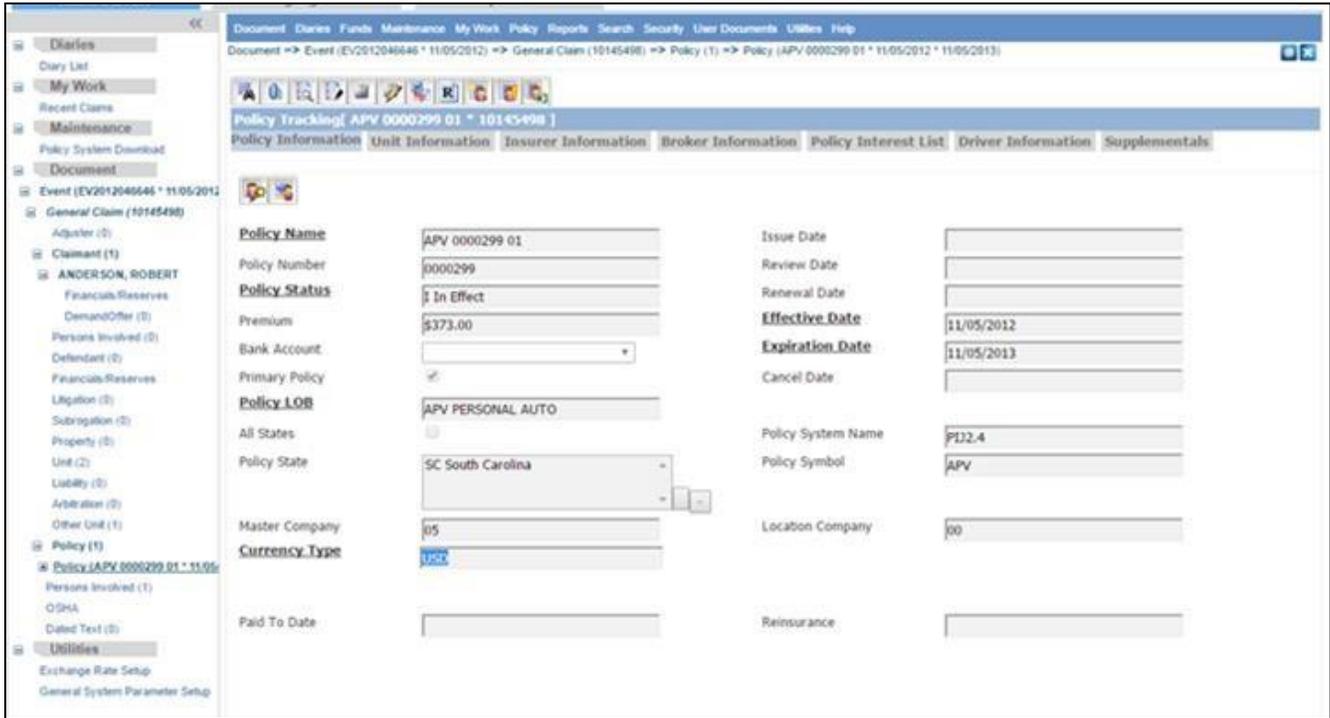


The screenshot shows the Riskmaster software interface. At the top, a red banner reads "User license count exceeded. Please contact Riskmaster Support Desk." Below this, the navigation bar includes "Document", "Diaries", "Funds", "Maintenance", "My Work", "Policy", "Reports", "Search", "Security", "User Documents", "Utilities", and "Help". The main content area displays a "General Claim" for "Pharmacists Mutual Compan \* ANDERSON, ROBERT". The "Currency Type" field is highlighted in yellow and contains the value "EUR". Other fields include Event Number (EV2012046646), Claim Number (10145498), Policy LOB (APV PERSONAL AUTO), Claim Type (APL AUTO CLAIM), Date of Event (11/05/2012), and Time of Event (12:00 AM).

## 3. Policy Currency

### Policy Tracking Screen -

- a. Policy currency could be different from claim currency.



Document → Event (EV2012040646 \* 11/05/2012) → General Claim (10145498) → Policy (1) → Policy (APV 0000299 01 \* 11/05/2012 \* 11/05/2013)

Policy Tracking [ APV 0000299 01 \* 10145498 ]

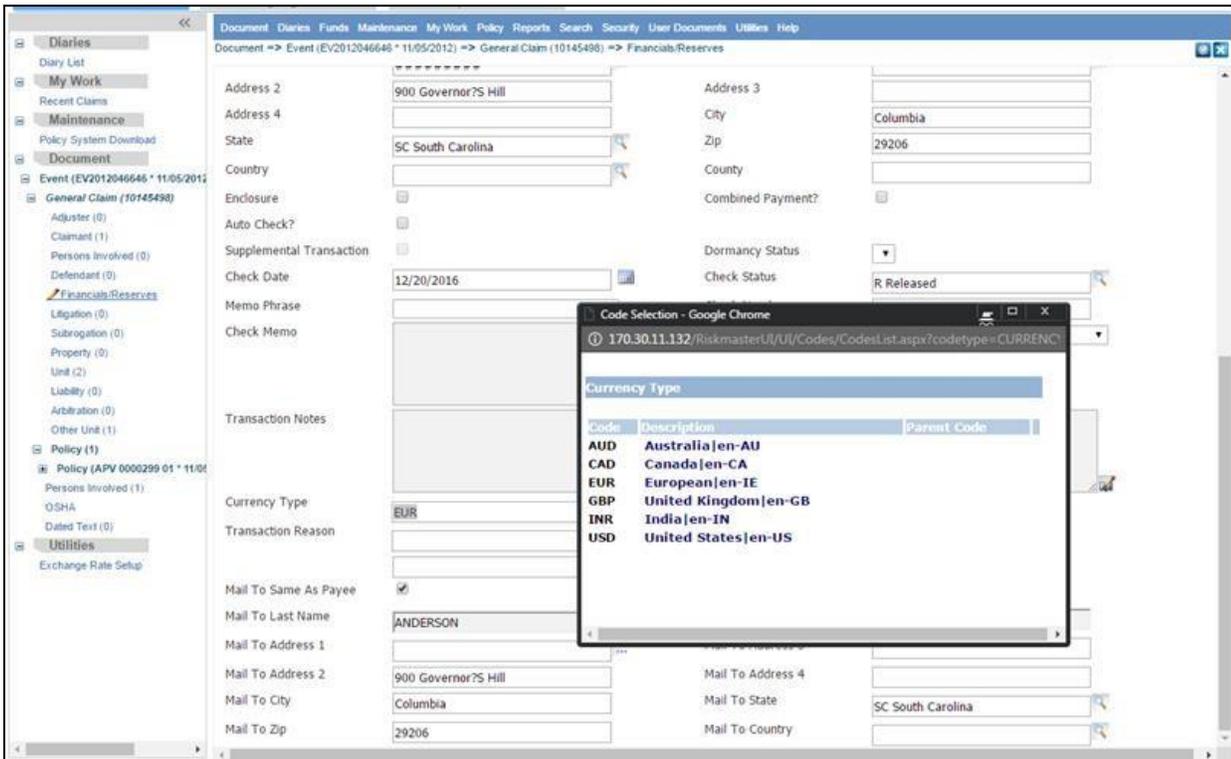
Policy Information | Unit Information | Insurer Information | Broker Information | Policy Interest List | Driver Information | Supplementals

|                |                                     |                    |            |
|----------------|-------------------------------------|--------------------|------------|
| Policy Name    | APV 0000299 01                      | Issue Date         |            |
| Policy Number  | 0000299                             | Review Date        |            |
| Policy Status  | In Effect                           | Renewal Date       |            |
| Premium        | \$373.00                            | Effective Date     | 11/05/2012 |
| Bank Account   |                                     | Expiration Date    | 11/05/2013 |
| Primary Policy | <input checked="" type="checkbox"/> | Cancel Date        |            |
| Policy LOB     | APV PERSONAL AUTO                   | Policy System Name | P12.4      |
| All States     | <input type="checkbox"/>            | Policy Symbol      | APV        |
| Policy State   | SC South Carolina                   | Location Company   | 00         |
| Master Company | 05                                  | Reinsurance        |            |
| Currency Type  | USD                                 |                    |            |
| Paid To Date   |                                     |                    |            |

#### 4. Payment Currency

##### Transaction Screen (Payment/Collection)

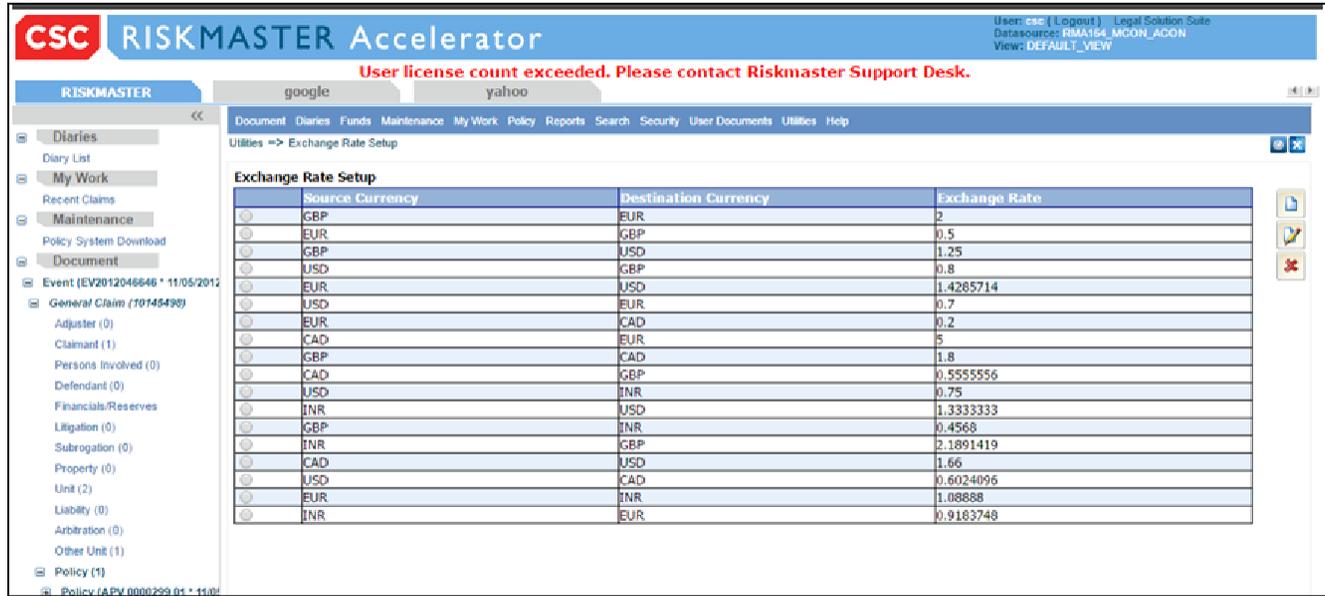
- a. Payment currency should be setup on transaction screen.
- b. It could be different from claim currency.



## Currency Configuration -

### Exchange Rate Setup Screen -

- c. From the main menu Utilities, select Managers > Exchanges Rate Setup
- d. Set the exchange rates for different currencies.



**CSC RISKMASTER Accelerator** User: esc [ Logout ] Legal Solution Suite  
 Datasource: RMA164\_MCOB\_AOON View: DEFAULT\_VIEW

**User license count exceeded. Please contact Riskmaster Support Desk.**

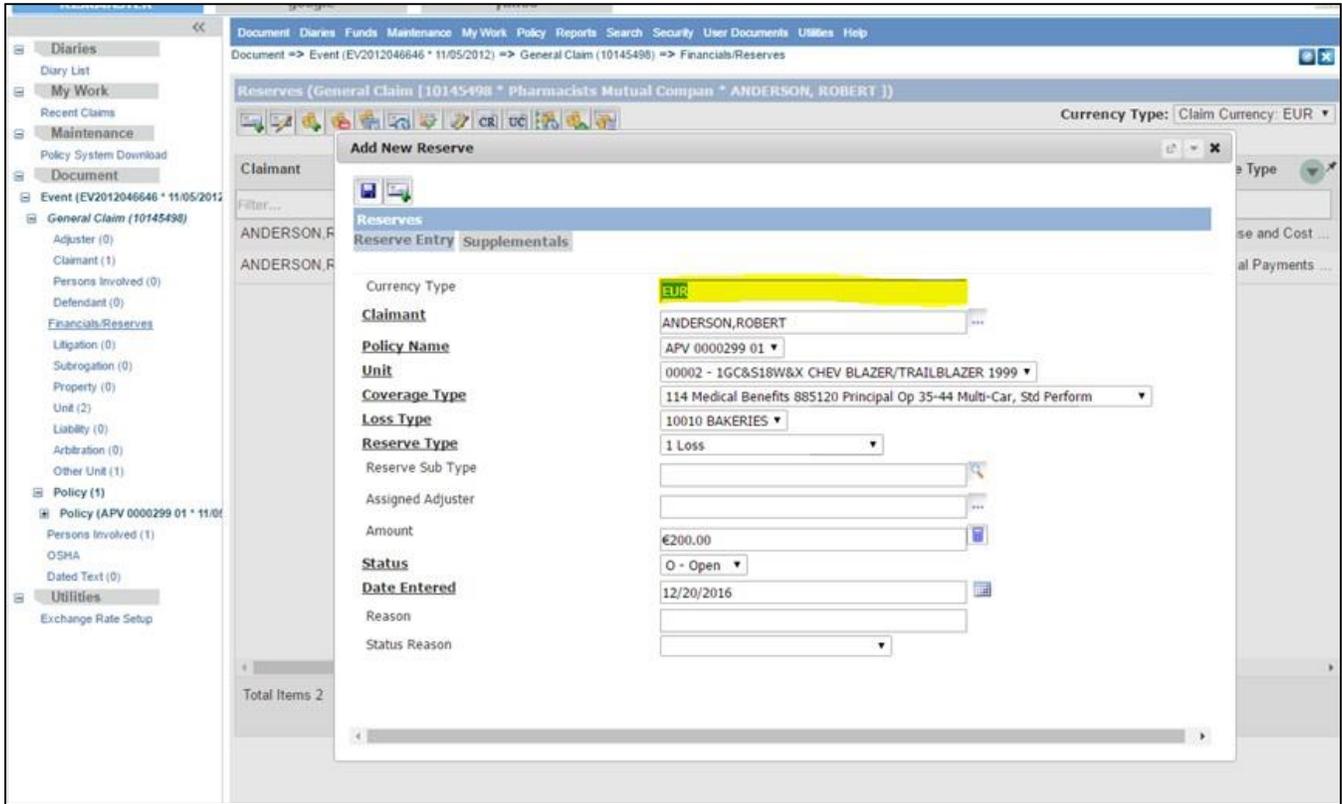
Utilities => Exchange Rate Setup

| Source Currency | Destination Currency | Exchange Rate |
|-----------------|----------------------|---------------|
| GBP             | EUR                  | 2             |
| EUR             | GBP                  | 0.5           |
| GBP             | USD                  | 1.25          |
| USD             | GBP                  | 0.8           |
| EUR             | USD                  | 1.4285714     |
| USD             | EUR                  | 0.7           |
| EUR             | CAD                  | 0.2           |
| CAD             | EUR                  | 5             |
| GBP             | CAD                  | 1.8           |
| CAD             | GBP                  | 0.5555556     |
| USD             | INR                  | 0.75          |
| INR             | USD                  | 1.3333333     |
| GBP             | INR                  | 0.4568        |
| INR             | GBP                  | 2.1891419     |
| CAD             | USD                  | 1.66          |
| USD             | CAD                  | 0.6024096     |
| EUR             | INR                  | 1.08888       |
| INR             | EUR                  | 0.9183748     |

## MC complaint Financial screens -

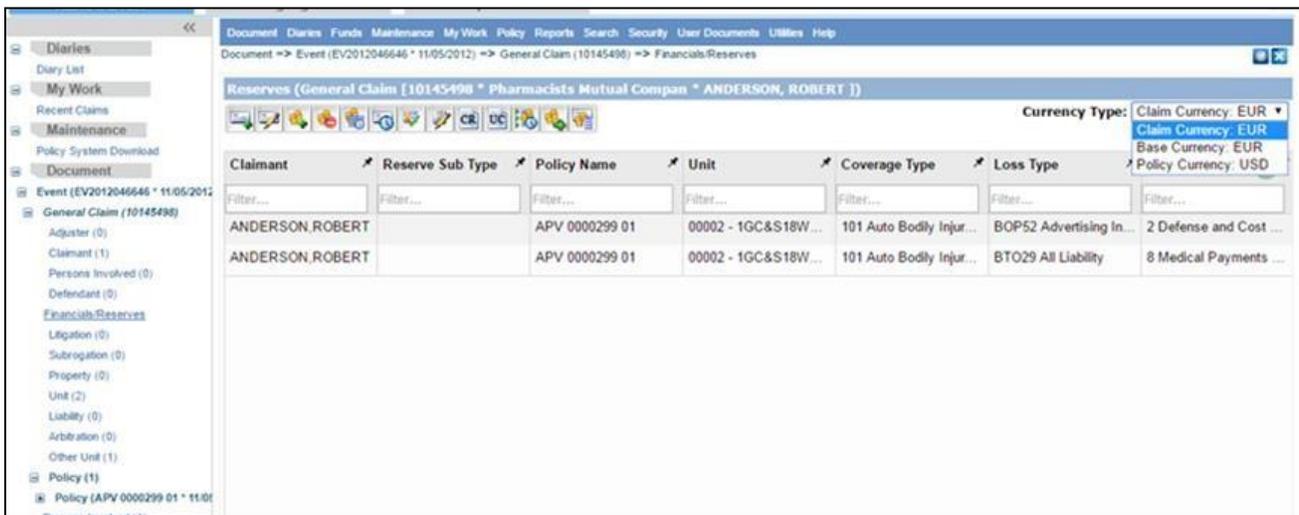
### Add/Edit reserve screen

- e. Reserves can be created/updated only on claim currency.
- f. User can use on screen currency calculator to enter amounts on other currencies as well however system calculates it to claim currency.



## Reserve Listing screen

- g. User can see respective reserve amounts in Clam/Base/Policy currency by selecting the Currency Type from dropdown list.



## Reserve History Screen

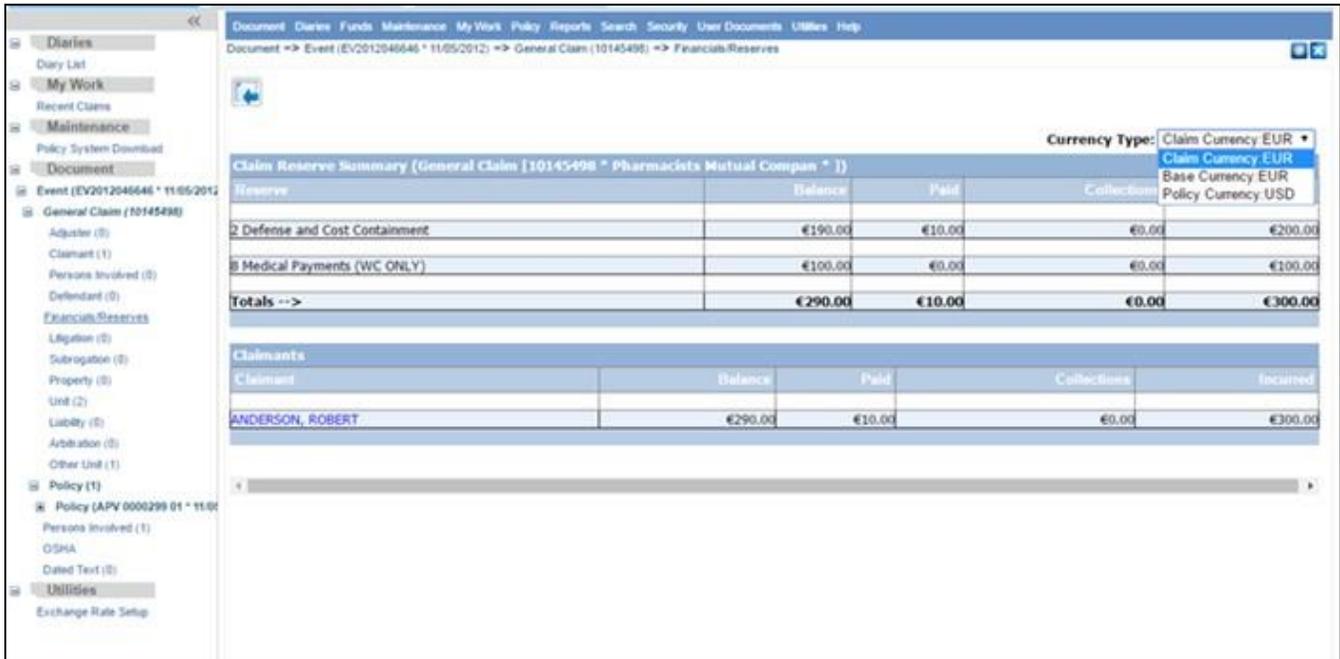
- h. User can see Reserve History in Clam/Base/Policy currency by selecting the Currency Type dropdown list.



| Reserve Date | Reserve Amount | Status | User         | Reason | Change Amount | Currency Conversion Date |
|--------------|----------------|--------|--------------|--------|---------------|--------------------------|
| 12/20/2016   | €200.00        | Open   | Master1 Risk |        | €200.00       | 12/20/2016               |

## Claim Reserve Summary

- i. User can see Claim Reserve Summary in Clam/Base/Policy currency by selecting the Currency Type dropdown list.



Document Diaries Funds Maintenance My Work Policy Reports Search Security User Documents Utilities Help  
Document => Event (EV2012046646 \* 11/05/2012) => General Claim (10145498) => Financials/Reserves

Level: POLICY - Financial Summary

Currency Type: Claim Currency EUR  
Base Currency EUR  
Policy Currency USD

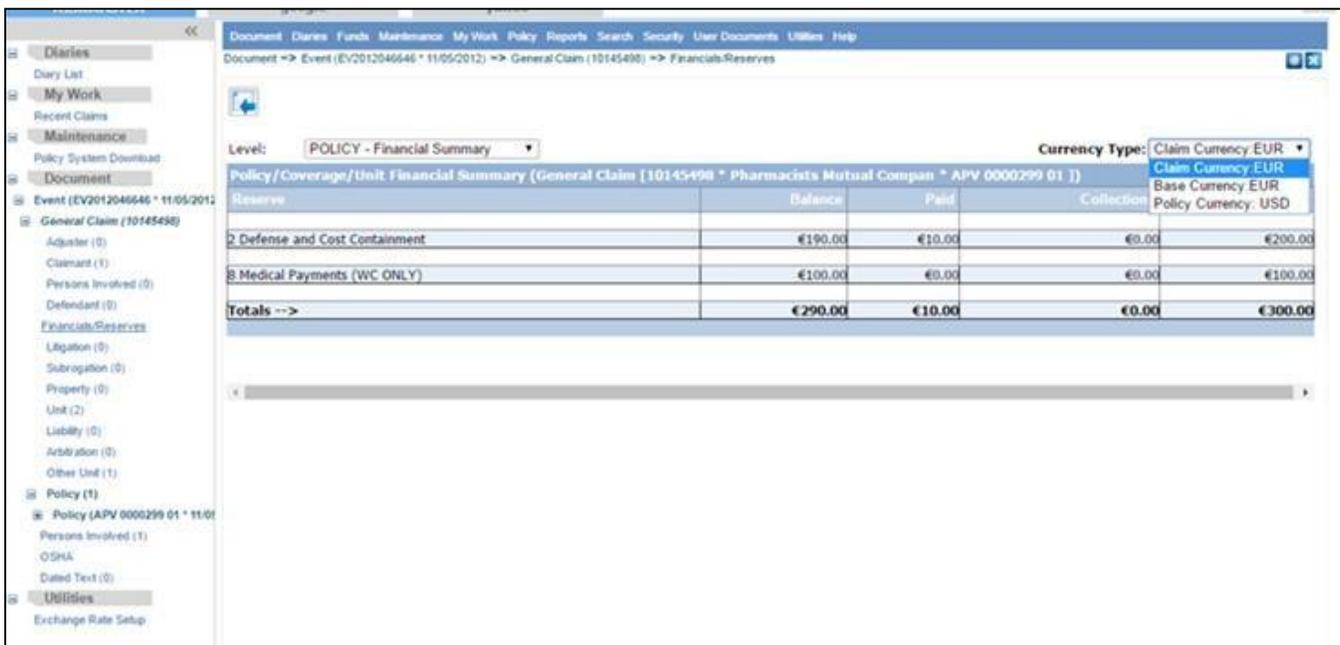
| Reserve                        | Balance        | Paid          | Collection   | Incurred       |
|--------------------------------|----------------|---------------|--------------|----------------|
| 2 Defense and Cost Containment | €190.00        | €10.00        | €0.00        | €200.00        |
| 8 Medical Payments (WC ONLY)   | €100.00        | €0.00         | €0.00        | €100.00        |
| <b>Totals --&gt;</b>           | <b>€290.00</b> | <b>€10.00</b> | <b>€0.00</b> | <b>€300.00</b> |

| Claimant         | Balance | Paid   | Collection | Incurred |
|------------------|---------|--------|------------|----------|
| ANDERSON, ROBERT | €290.00 | €10.00 | €0.00      | €300.00  |

**Policy/Coverage/Unit financial Summary screen**

- j. User can see Policy/Coverage/Unit Summary in Clam/Base/Policy currency by selecting the Currency Type dropdown list.



Document Diaries Funds Maintenance My Work Policy Reports Search Security User Documents Utilities Help  
Document => Event (EV2012046646 \* 11/05/2012) => General Claim (10145498) => Financials/Reserves

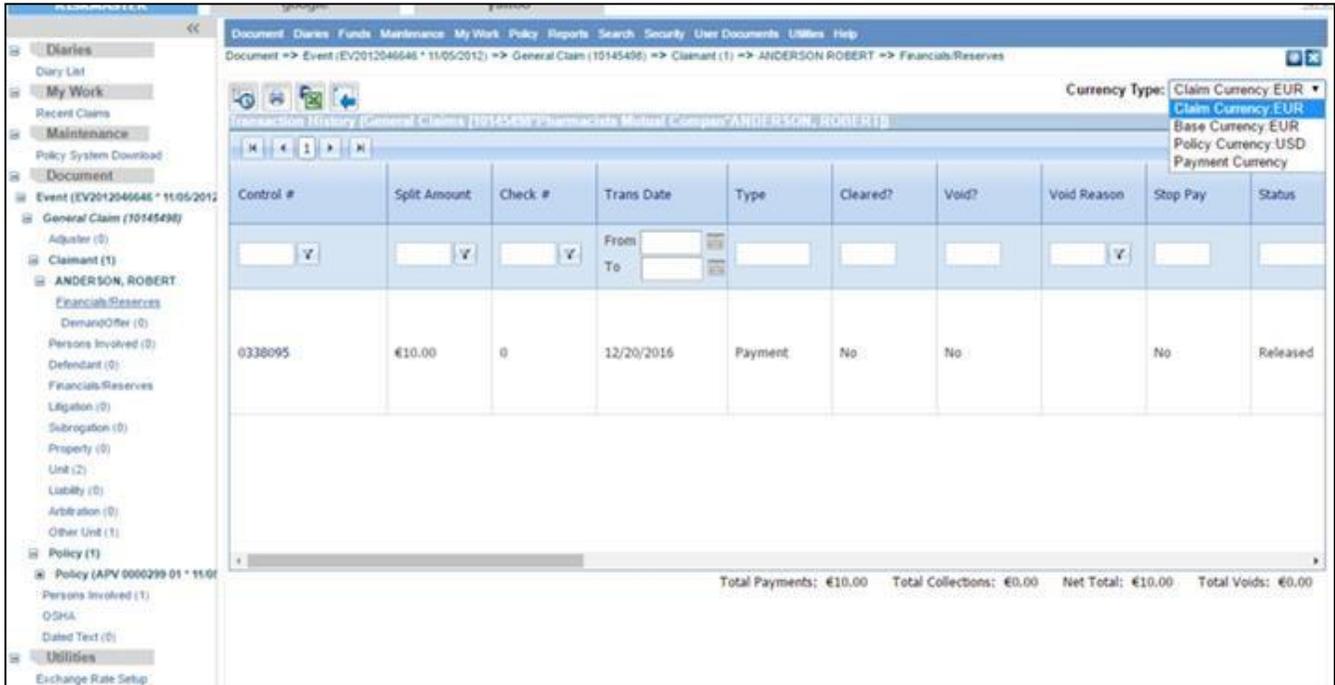
Level: POLICY - Financial Summary

Currency Type: Claim Currency EUR  
Base Currency EUR  
Policy Currency USD

| Reserve                        | Balance        | Paid          | Collection   | Incurred       |
|--------------------------------|----------------|---------------|--------------|----------------|
| 2 Defense and Cost Containment | €190.00        | €10.00        | €0.00        | €200.00        |
| 8 Medical Payments (WC ONLY)   | €100.00        | €0.00         | €0.00        | €100.00        |
| <b>Totals --&gt;</b>           | <b>€290.00</b> | <b>€10.00</b> | <b>€0.00</b> | <b>€300.00</b> |

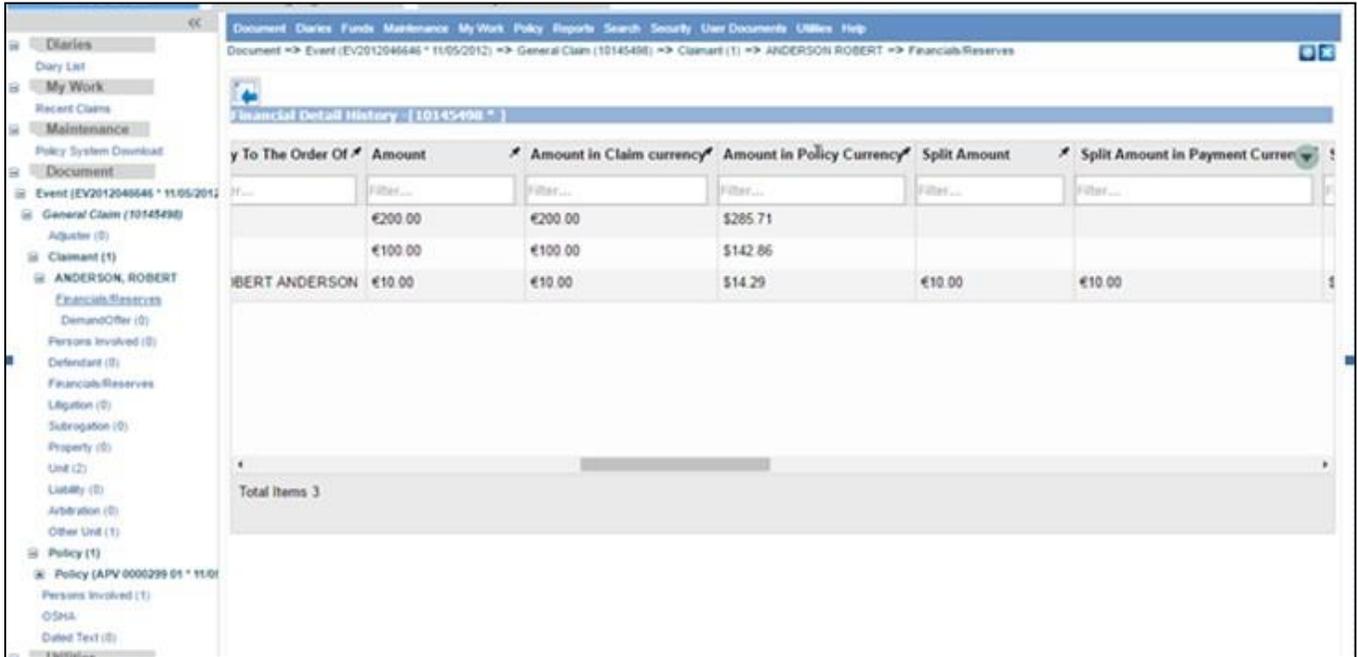
### Transaction history screen

- k. User can see Transaction History in Clam/Base/Policy/Payment currency by selecting the Currency Type dropdown list.



### Financial Detail History

- l. User can see Financial Detail History data in Clam, Base, Policy and payment currencies.



The screenshot displays the 'Financial Detail History' for a claim. The table shows the following data:

| To The Order Of | Amount  | Amount in Claim currency | Amount in Policy Currency | Split Amount | Split Amount in Payment Currency |
|-----------------|---------|--------------------------|---------------------------|--------------|----------------------------------|
|                 | €200.00 | €200.00                  | \$285.71                  |              |                                  |
|                 | €100.00 | €100.00                  | \$142.86                  |              |                                  |
| ROBERT ANDERSON | €10.00  | €10.00                   | \$14.29                   | €10.00       | €10.00                           |

The interface also shows a navigation pane on the left with categories like Diaries, My Work, Maintenance, and Document. The document path is: Event (EV2012046646 \* 11/05/2012) => General Claim (10145498) => Claimant (1) => ANDERSON, ROBERT => Financials/Reserves.

## Pointers for Existing Customer Wants to Enable Multi-Currency

1. New and enhanced Multi-Currency feature is now available in RISKMASTER Accelerator. To use this feature, customers must upgrade to 16.4 GA version.
2. Multi-currency introduces several changes in the underlying RISKMASTR data model which means a pre- install analysis of existing data is needed for any customer planning to use MC feature.  
High level effort for aforesaid data analyses would be ~40 hrs. Please discuss with rmA Support helpdesk/Engagement manager/ Sales support / Services team to plan for it.
3. Please note rmA 16.4GA DB Upgrade utility includes data migration process for existing data which will be moved to new MC compliant data model.
4. Post upgrade to 16.4, all existing data & transactions would be considered in Base currency (Claim, payments etc.)
5. Post upgrade to 16.4, Customer desirous of using MC, would need to setup exchange rates and currency type mapping (as applicable) before proceeding for financials.
6. System doesn't recommend to change Base currency of existing system.
7. Enabling Multi-currency is one time change, CSC doesn't recommend to turn it OFF once enabled.