Out-of-Sequence and Preemptive Policy Changes

This document explains Out-of-Sequence and Preemptive changes that might require you to make a decision when submitting a policy change.

- Out-of-Sequence Changes
- Preemptive Changes

Key Benefits

AMsuite is American Modern's state-of-the-art software solution. It consolidates the policy administration, claims and data applications into one platform for all Personal Lines products.

From motorcycles to manufactured homes, users will benefit from the same functionality, flow and flexible navigation. In a nut shell, AMsuite will make it easier for you to do what you do best—serve customers.

Out-of-Sequence Changes

An out-of-sequence change describes a policy transaction change whose Effective Date is earlier than the Effective Date of another policy transaction that is already bound on the policy.

If the two policy changes do not have any conflicts, the system handles everything for you. But if there is a conflict, the system will lead you through an out-of-sequence change.

Example: Eric Mitchell has a Recreational AMsuite Policy with MedPay of $1000.

Your colleague made a policy change for Eric, and modified his MedPay coverage to $5,000 with an Effective Date of October 5 and issued the policy.

Eric decides he wants to change his coverage to $2,500 instead of $5,000. He calls in and talks to you. You start a new quote with the change to $2,500, with an Effective Date of October 1.

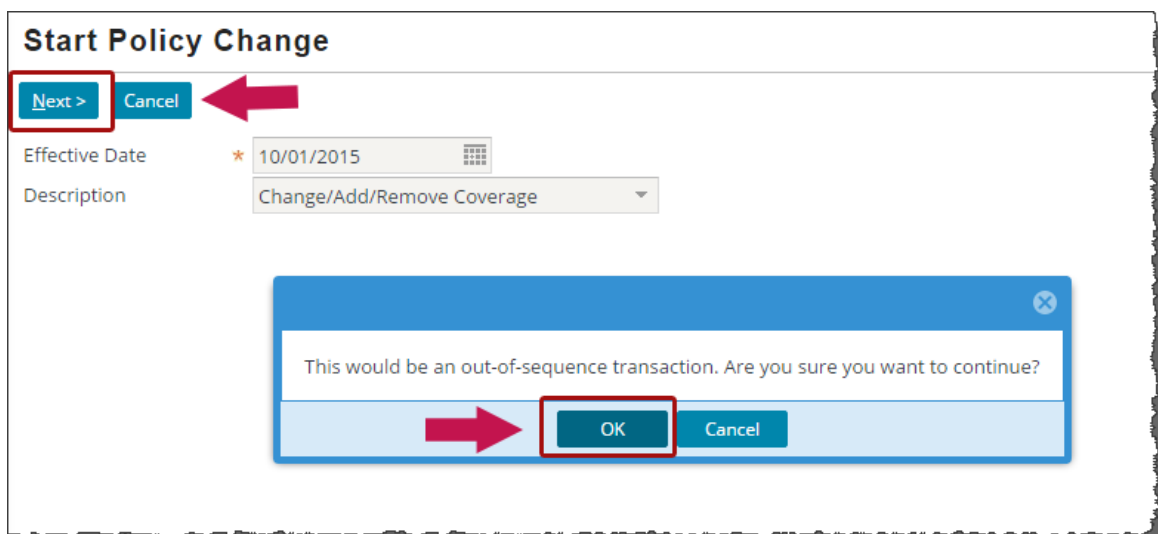You try to issue the policy change.

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In this case, the system will ask you to resolve the conflict between the policy changes. Choose whether your change only applies until the later change, or your change carries on and "overrides" the later change.

In this case, the system has no way of knowing what you want to do. Should it make the change to:

- Med Pay coverage for $2,500 from October 1 through October 5 and then change it to $5,000?

- Med Pay coverage for $2,500 from October 1 to continue for the rest of the policy period and withdraw the change to $5,000?

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As soon as you select the date to make the second change, you get a warning message. Click **OK**. Click **Next** to if you still want to continue with the change.

Start Policy Change
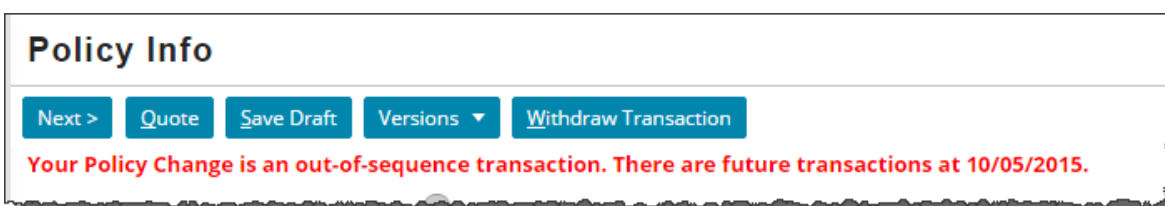
Next >   Cancel

Effective Date   * 10/01/2015

Description   Change/Add/Remove Coverage

This would be an out-of-sequence transaction. Are you sure you want to continue?

OK   Cancel

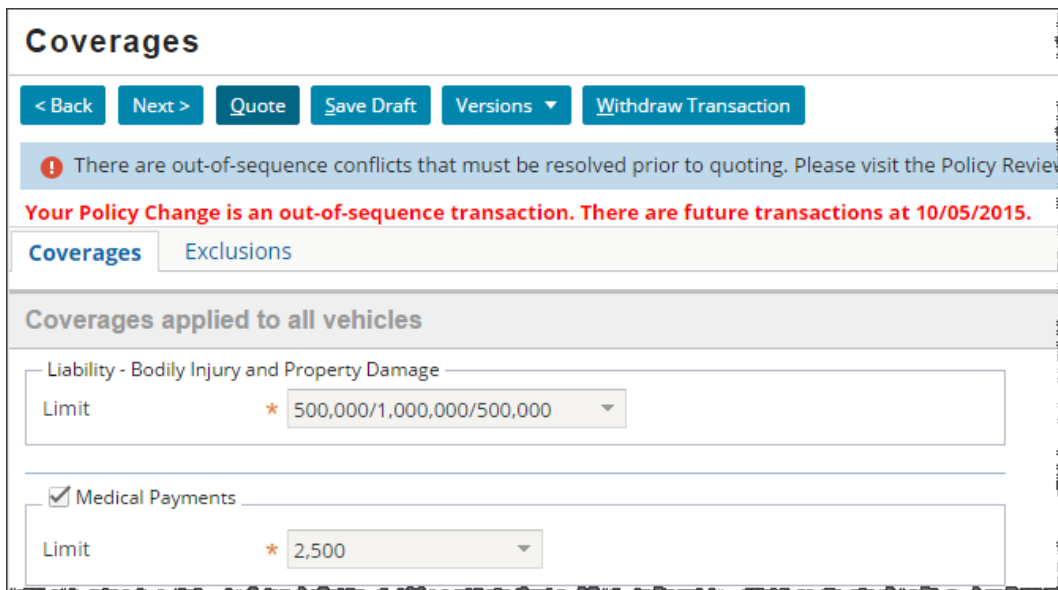The following warning message appears. Click **Withdraw Transaction** to cancel, or click **Next** to continue.

Policy Info

Next >   Quote   Save Draft   Versions ▼   Withdraw Transaction

Your Policy Change is an out-of-sequence transaction. There are future transactions at 10/05/2015.
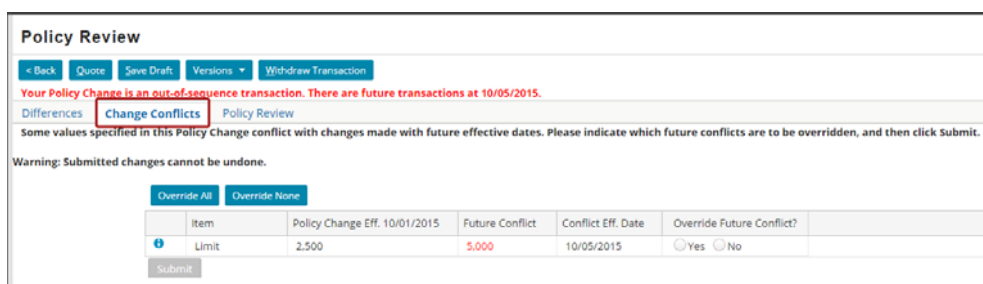
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The message below indicates there is a conflict with the future bound change. It tells you to click **Policy Review** on the **Sidebar.** Click **Policy Review.**

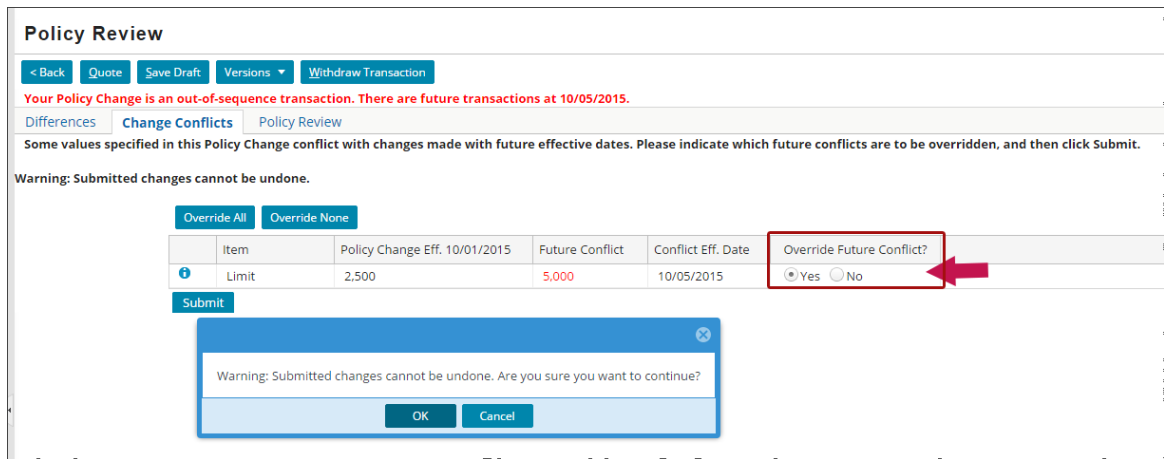Click the **Change Conflicts** tab. This tab only appears when there is a conflict.

Select "Yes" or "No" to **Override Future Conflict?.**

In this case, "Yes" means to override the future change for October 5 with this one and modify coverage to $2,500 for the rest of the policy period.

"No" means that you want both changes – coverage of $2,500 until October 5 and then change to $5,000.

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Once you select "Yes" or "No", the **Change Conflicts** tab disappears. The conflict is resolved. The policy change can now be completed.

Preemptive Policy Changes

A Preemptive policy change occurs when there is already an open policy change on a policy and a second policy change is created and bound. The second policy change has preempted the first policy change.

Example: Tina Tucker wants to add her son, Jake, as a driver for her Collector Vehicle policy.

You add Jake Tucker to the policy, but have not submitted the change, yet, because Tina said she is also purchasing another vehicle that she also wants to add. The next day, while you have the day off, Tina calls in with the vehicle information.

Your colleague, Jane, who isn't aware of the quote to add Jake as a driver, starts another quote to add the vehicle. Jane submits the change with the additional vehicle.

The next day, you come into work and submit the driver change. Because there were two changes open before issuance, you will get the warning about the preemptive change, and will be asked to either absorb the change that Jane made into your submission, or to withdraw your change. Jane was not required to make a decision, because she submitted her change first.

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Jane saw this warning message, but went ahead and bound it anyway.
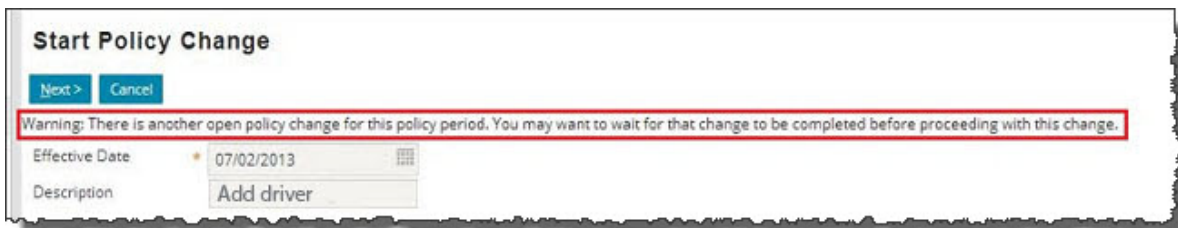
When Jane saw this message, she clicked this link to see what other change was pending. She let you know that there was something going on with this policy and that she bound it with the new vehicle.

When you tried to bind the policy with the additional driver, you saw this message. This is because Jane already bound the policy with the additional vehicle.

You now have to resolve this. Click **Handle Preemption**.
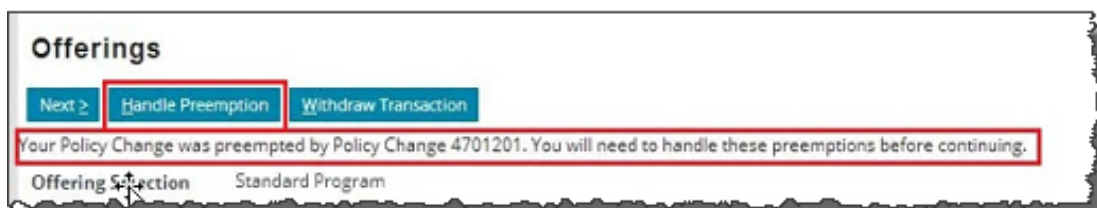
Since the additional vehicle was already bound, you must either select **Apply All Changes** to absorb that change into your submission, or select **Withdraw** to withdraw your change.

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It doesn't make a difference which quote was started first. The second person to bind the policy has to absorb the first change or withdraw the second submission.

**Changes which preempt a pending cancellation or pending renewal require special handling. The cancellation or renewal must absorb the policy changes and continue. This may impact the premium for the renewal or returned premium for the cancellation.

For questions about using AMsuite, contact American Modern's Customer Service Team @ 1-800-543-2644.