



To: IBAC Member Association CSEs
cc: IBAC Board of Directors
From: Peter Braid, CEO, Insurance Brokers Association of Canada (IBAC)
Date: May 23, 2024

Subject: The Power of eDocs: Optimizing Efficiency and Streamlining Processes

Introduction

The Insurance Brokers Association of Canada (IBAC) recognizes the significant role technology plays in transforming the insurance industry. One area witnessing substantial recent progress is the adoption of enhanced electronic documents (eDocs) standards. This communication aims to highlight the benefits of eDocs to brokers, describe the roll out plan, and outline what brokers need to do to take advantage of the updated eDocs.

The role of the IBAC Tech Committee – Identifying and Fixing the Problem

Broker representatives on the IBAC Tech Committee identified a key problem affecting brokerage operations across the country: incorrect eDoc coding by carriers and limited adoption of consistent standards required significant human intervention by brokers to properly identify and action the eDocs after receiving them.

We subsequently raised this issue at the Centre for Study of Insurance Operations (CSIO) and advocated for a review and refinement of the eDoc codes. Since then, collaborative efforts between IBAC, CSIO, insurers, and technology providers have begun to address these challenges and implement improvements that will allow brokers and their clients to experience the full benefits of eDoc implementation. IBAC remains committed to working with all stakeholders to continuously improve the eDocs experience for brokers and their clients.

The Benefits of the eDocs Enhancements

The movement to the improved version of eDocs offers many advantages for both insurance brokers and their clients. Here's a glimpse into some key benefits:

- **Enhanced Efficiency:** eDocs eliminate the need for paper-based processes, streamlining workflows and saving valuable time. Faster policy issuance, quicker endorsement processing, and improved document retrieval are just a few examples.
- **Reduced Costs:** Transitioning from the current version of eDocs to the updated version can significantly reduce a brokerage's admin costs. The updated versions allow automatic attachment to BMS policy records, eliminating the need for manual intervention by the broker. The IBAC Tech Committee projects that the elimination of manual intervention will achieve savings of more than \$50M annually for the broker channel.

- **Improved Accuracy:** eDocs minimize the risk of errors associated with manual data entry, ensuring greater accuracy throughout the insurance process.

The Implementation Plan

While this is an industry initiative, carriers and vendors will have differing timelines based on internal priorities and the required effort to update their systems. Most carriers and vendors plan to start their remediation work in 2024. In fact, several carriers have already started, while some others have already completed the work. For example, Definity & Wawanesa have completed their programming efforts, while Max Insurance, Northbridge, and Travelers have programming efforts currently underway.

The carrier portion of this work is only one side of the equation. Broker tech vendors also need to update their systems to handle the enhanced eDoc codes and documents. On this front, the news is positive – all major BMS providers report that their programming efforts are complete, with only the testing process remaining.

More information can be found here: [Updated eDocs Initiative | Centre for Study of Insurance Operations \(csio.com\)](#). For the most current version of the project plan, click on “eDocs Programming Scorecard & FAQ”

What do brokers need to do?

In most situations, your BMS vendor will manage the implementation for you – behind the scenes. For brokers that manage their own BMS implementation rather than using the vendor’s cloud solution, you will need to update your BMS version to the latest release.

In some cases, minor configurations will be required to update automated workflows. Support is available from your vendor for those changes. Note that configuring for the new codes will not disable support for the old codes. We encourage brokers to address this configuration work as soon as possible.

Vendors have already started to communicate their implementation plans and dates through email, social media, and other methods. If you have not yet seen a communication from your vendor, we encourage you to reach out to obtain an update on their plans.

Conclusion

The enhancement to industry eDocs represents a significant step forward in streamlining insurance processes and enhancing efficiency. IBAC is proud of its role in fostering and facilitating eDoc remediation within the Canadian insurance industry. We are confident that continued collaboration will lead to even greater benefits for brokers and their clients in the years to come.