

## Adaptive Suite

# Focus on Insurance

Adaptive Insights provides insurance companies with a Corporate Performance Management system that facilitates planning and reporting revenues and expenses across a complex organization with a large number of dimensions, such as state and product line, and to produce both statutory and GAAP reporting.

## Planning & Reporting Challenges

The insurance sector of the financial services industry has gone through major changes in the last decade, as a result of globalization, regulatory changes, and the financial crisis. Furthermore, the Patient Protection and Affordable Care Act calls for sweeping changes, including strengthening insurance company regulation.

In the United States, insurance companies are regulated primarily at the state level. This means that insurance firms must deal with up to 50 different state regulatory agencies and 50 different sets of state regulations. In addition to complex statutory reporting, GAAP reporting is often also required.

In addition to planning and reporting by state, insurance companies typically need to plan by other dimensions, such as business line, product family, and premium type. Detailed allocation schemes are often necessary to plan and report company revenue and profit by state and by product lines.



Accounts	Jan-2010	Feb-2010	Mar-2010	Apr-2010
Premiums				
New Premiums				
Private Passenger	271,413	277,162	282,861	288,529
Commercial	124,174	127,687	131,172	134,620
Package	113,163	116,348	119,517	122,769
Total	508,750	521,197	533,550	545,917
Renewals				
Private Passenger	298,950	315,704	332,966	352,433

Insurance planning sheet

Timely and accurate analysis of key performance indicators is critical for these companies to reduce risk and manage costs effectively during the economic downturns. They require nimble planning and rolling forecasts to quickly shift gears from growth mode to cost control mode, or vice versa.

Spreadsheet-based systems are inefficient, error-prone, and fundamentally unsuited for the complex, dynamic planning and reporting required by insurance companies.

**“This isn’t just a finance tool. With Adaptive Planning there is more transparency with the whole planning process. Other departments now have a better sense for how their decisions impact the business.”**

—Laurie A. Stanek  
Vice President & CFO, Mendota Insurance

## Adaptive Suite

### The Adaptive Insights Solution

Financial planning and analysis in the insurance environment requires a flexible budgeting, forecasting, and reporting solution with the ability to:

- Accurately plan revenues and expenses across a complex organization with a large number of dimensions
- Produce both statutory and GAAP reporting
- Perform what-if analyses for varying levels of growth
- Have ready access to timely and accurate key performance indicators necessary to reduce risk and manage costs

**“We got up and running quickly, without requiring purchases of new hardware or software, or involvement from our IT personnel.”**

—Bryan Rogers  
VP of Finance, Unitrin

Adaptive successfully helps dozens of insurance companies streamline their planning and analysis.

- Plan for and consolidate organizations across multiple dimensions, including locations, states, product families, and premium types
- Plan and report in different formats to meet both statutory and GAAP requirements
- Model revenue with multiple dimensions, and using drivers such as gross written premiums, loss ratios, and commission ratios
- Allocate expenses from departments to states and product lines
- Model integrated P&L, balance sheet, and cash flow statements
- Use dashboards to analyze key metrics, including sales per employee, billable and paid man hours, utilization of billable resources, etc.
- Use reports to perform variance analysis, including drill-down into underlying transaction detail
- Distribute report books via email for financial presentations such as board packages
- Improve accuracy and turnaround time in the planning and reporting process, and conduct frequent re-forecasting

## Adaptive Suite

The Adaptive cloud is the perfect solution for insurance companies.

- It provides exceptional value. Adaptive Planning's SaaS solution provides a five-year ROI of up to 650% compared to using spreadsheets, and has a total cost of ownership that's up to 77% less than on-premise alternatives. And it's low-risk, with the options of free trials and phased implementations.
- There is no IT involvement required. It's in the cloud, so no new hardware, software, or IT support is required for initial implementation or ongoing maintenance.
- It's intuitive and easy to use. Adaptive's CPM engine saves time and effort with built-in intelligence. Customers can avoid the wasted time associated with spreadsheet-based systems. And its web-based, highly customizable, Excel-like interface is easy for all types of employees to learn and use.

### Select Adaptive Planning Insurance Customers Include:

- AAA
- BancorpSouth Insurance
- Blue Cross and Blue Shield of Rhode Island
- Cincinnati Insurance
- Enstar Group
- Extend Health
- Gilsbar
- Great American Group
- Hylant Group
- Mendota Insurance Company
- Mercury Insurance Group
- MIB Group
- MII Management Group
- Ohio Mutual Insurance
- Preferred Professional Insurance Company
- Ryan Specialty Group
- State Auto Financial Corporation
- Strickland Insurance Group
- Tower Hill Insurance Group
- Unitrin