

Snapshot: NPP and Insurance

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Speed
payments in near real-time



Always on
24 hours a day, seven days a week, 365 days a year



Data enriched
more remittance information with payments



Simple addressing (PayID)
use an easy-to-remember identifier

The New Payments Platform is a fast, versatile, data-rich payments system available any time of the day, any day of the year.

Opportunity for the Insurance Industry

The New Payments Platform presents a significant opportunity for the insurance industry. The Platform's combination of "always on" availability and enriched data capability could drive operational and process efficiency improvements.

The New Payments Platform could enable:

- Ability to combine payment and policyholder data (either in the payment message itself or via a link to an externally hosted document), thereby reducing manual processing and error handling
- Payment of insurance premiums and claims, anytime, including in an emergency, using cleared funds
- Improved efficiency and automation of payments at all stages of a policy's lifecycle, resulting in lower operating costs
- Ability to utilise the Platform's addressing service – PayID – for greater certainty when collecting recurring monthly premium payments and paying claims to policyholders
- Automated policy renewal utilising the Platform's "request to pay" capability

The New Payments Platform uses the ISO 20022 message schema, which is the global standard for electronic data interchange between financial institutions. The insurance industry could utilise this messaging to overcome many of the shortcomings associated with legacy payments streams, resulting in a superior customer experience.

Insurance Example – Policy claim

Today:

- Multi-step process
- Reconciliation effort to match claim to policy-holder
- Manual assessment of claim and policy entitlements (multiple systems, manual entry, etc.)
- Generally time of high emotional distress for customer

Insurance Claim Form

Future:

- Streamlined process
- Claim information captured digitally
- Real time payment of claim
- Claim receipt number carried in the payment message
- Ability to use PayID to direct payment
- Improved customer experience

