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Understanding Carrier Commission Defaults

At the Policy Underwriting level, the **policy info** tab is completed to set up the invoicing template. When the line of business is added, the commissions populate the **policy info** tab based on the Carrier Commission setup added at the Carrier level.

When adding Carrier Commission defaults, it is important to understand the order in which Nexsure determines which commission to populate to the invoice template. Nexsure may use up to five different levels when determining what commission to use. These levels are: **Specific Commission Match, Line of Business Default (LOB), Department Default, Carrier Default** and **Organization Default**. The process of setting commission defaults requires selection of a branch so a branch match is always assumed. The order of determination begins by first attempting to match the Line of Business, specific Department, Carrier and Organization. Use the chart below to understand how the commission defaults are determined by Nexsure.

Carrier Commission Default Order Chart

Specific Commission Match	Line Of Business (LOB) Default	Department Default	Carrier Default	Organization Default
Nexsure searches for the perfect Carrier Commission match. This means that the Branch, Carrier, Line of Business and Department must be an exact match to default to the policy info screen. If not, Nexsure looks for a Line of Business default.	One default for each Line of Business may be added per Branch. If Nexsure does not find a specific match, it looks for a Line of Business default and uses it. If not, Nexsure looks for a Department default.	Only one Department default may be added for each Department for each Branch the Department is assigned to. If Nexsure does not find a specific commission or Line of Business default, it looks for a Department default and uses it if it exists. If not, Nexsure looks for a Carrier default.	Only one Carrier default may be added per Parent and it's subsidiaries per Branch. A billing carrier default will only apply if a policy has a billing carrier and no issuing carrier selected otherwise only an issuing carrier default will apply. If an issuing carrier default is set up it will apply only to that specific issuing carrier. If Nexsure does not find a specific match, LOB or Department default, it looks for a Carrier default and uses it if it exists. If not, Nexsure looks for an Organization default.	There is only one Organization default per Organization. If Nexsure does not find a specific match, LOB, Department or Carrier default, it looks for an Organization default and uses it if it exists. If one does not exist, no commission will default.
1. Branch	1. No Specific Match	1. No Specific Match	1. No Specific Match	1. No Specific Match
2. Carrier	2. Use LOB Default	2. No LOB Default	2. No LOB Default	2. No LOB Default
3. Line of Business		3. Use Department Default	3. No Department Default	3. No Department Default
4. Department			4. Use Carrier Default	4. Use Carrier Default
				5. Use Organization Default

Adding/Updating Carrier Commissions

Access the Carrier from the **search** screen and perform the following steps:

1. Select **Carrier** in the **Entity** drop-down box.

The screenshot shows a search interface with the following elements:

- Entity:** Carrier (selected in a dropdown)
- Search Type:** Contains
- Carrier Category:** All
- Carrier:** Penn (entered in the text field)
- Buttons:** Clear, Search
- Search Results:**
 - SEARCH RESULTS - CARRIER
 - 1 Record(s) Found
 - Showing Page 1 of 1
 - Go To Page 1
 - Table with columns: Details, Name, Location Type, City, St./Prov., Zip/Postal, Remove.
 - Table Row: Penn National, Underwriting, Pittsburgh, PA, 15211
- Links:** [Import Record], [Add New Record]

2. Enter a few letters of the Carrier's name in the **Carrier** field and click the **Search** button.

3. If the Carrier does not exist, click the **[Add New Record]** link.

4. If the Carrier exists, click the **Details** icon to select a specific carrier record.

5. Click the **commissions** tab and update the existing commission by clicking the **Details** icon.

The screenshot shows a commissions screen with the following elements:

- Tabs:** card file, contacts, locations, carrier names, **commissions**
- Commission Summary:**
 - [Add New]
 - Table with columns: Details, Org Default, Branch, Branch Code, Dept Default, Department, Carrier Default, Carrier, LOB Default, Line of Business, New, Renew, Rewritten, Quota, Remove.
 - Table Row: Atlantic Branch, 242, Commercial Lines (Acc-Pay on Inv), Penn National, Commercial Auto, 20 % of Premium, 20 % of Premium, 20 % of Premium, -

6. Click the **[Add New]** link to add the new commission default.

7. Select from the **Branch Name**, **Department Name**, **Carriers** and **Line of Business** drop-down boxes for the new commission. The **Branch Code** is a required field and is typically identified as the code number assigned to the agency by the Carrier. The code is also known as the **Producer Code**.

View/Edit Existing Commission

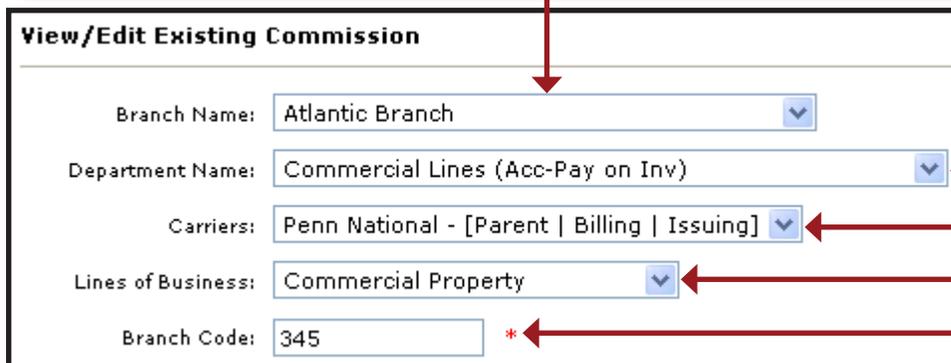
Branch Name: Atlantic Branch

Department Name: Commercial Lines (Acc-Pay on Inv)

Carriers: Penn National - [Parent | Billing | Issuing]

Lines of Business: Commercial Property

Branch Code: 345 *



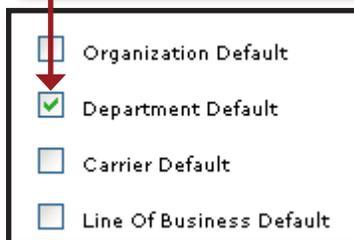
8. Set the defaults by clicking the check box beside each default type.

Organization Default

Department Default

Carrier Default

Line Of Business Default



Example for setting up LOB default:

Sample Insurance Org has the following setup:	
Branches:	Southern Sample Insurance Northern Sample Insurance
Departments:	Personal Commercial
Carrier Names:	The Carrier (Parent, Billing) Special Carrier (Issuing) Secondary Coverage Carrier (Issuing, Billing)

For the above organization setup, it is possible for each Department in each Branch to have a Line of Business default for each Line of Business. Below are tables using Commercial Property for the Line of Business to provide information on what this setup might look like:

Commission 1:	
Selected Branch:	Southern Sample Insurance
Selected Departments:	Personal
Selected Carrier Names:	The Carrier (Parent, Billing)
Selected LOB:	Commercial Property
	<input checked="" type="checkbox"/> Line of Business Default

Commission 2:	
Selected Branch:	Southern Sample Insurance
Selected Departments:	Commercial
Selected Carrier Names:	The Carrier (Parent, Billing)
Selected LOB:	Commercial Property
	<input checked="" type="checkbox"/> Line of Business Default

Commission 3:

Selected Branch:	Northern Sample Insurance
Selected Departments:	Personal
Selected Carrier Names:	The Carrier (Parent, Billing)
Selected LOB:	Commercial Property
	<input checked="" type="checkbox"/> Line of Business Default

Commission 4:

Selected Branch:	Northern Sample Insurance
Selected Departments:	Commercial
Selected Carrier Names:	The Carrier (Parent, Billing)
Selected LOB:	Commercial Property
	<input checked="" type="checkbox"/> Line of Business Default

If a default already exists, but another default is selected, the previously designated default is replaced with the recently saved commission. For example, if another commission line (Commission 5 for this example) is added exactly like Commission 4 (in the table above), but a different carrier name is selected, the Line of Business default of Commission 4 will be replaced by Commission 5.

Commission 5:

Selected Branch:	Northern Sample Insurance
Selected Departments:	Commercial
Selected Carrier Names:	Special Carrier (Parent, Billing)
Selected LOB:	Commercial Property
	<input checked="" type="checkbox"/> Line of Business Default

Commission 4:

Selected Branch:	Northern Sample Insurance
Selected Departments:	Commercial
Selected Carrier Names:	The Carrier (Parent, Billing)
Selected LOB:	Commercial Property
	<input checked="" type="checkbox"/> Line of Business Default

9. Select the **Rate Type** of either **% of Premium** or **Flat**. The **% of Premium** multiplies the rate by the premium amount to return the commission amount.

Rate Type	
New:	% of Premium ▾
Renew:	% of Premium Flat
Rewritten:	% of Premium ▾

10. Enter the commission rate for **New**, **Renew** and **Rewritten**. Notice the red * asterisks beside each rate field, this indicates that something must be entered, even if it is zero. The record will not be saved if any required fields are not populated.

Rate Type		Rate
New:	% of Premium ▾	15 *
Renew:	% of Premium ▾	15 *
Rewritten:	% of Premium ▾	15 *

11. Enter an amount into the **Min.** and **Max.** fields. These fields are used to identify the minimum and maximum commissions that would be seen on invoices. These fields are optional and are used for reference only.

Rate Type		Rate	Min.	Max.
New:	% of Premium ▾	15 *	0	0
Renew:	% of Premium ▾	15 *	0	0
Rewritten:	% of Premium ▾	15 *	0	0

12. The **Eff. Date** field automatically populates and identifies the date the commission being added becomes effective. Change the **Eff. Date** field as needed. If this date is outside the Policy Term effective date, the commission will not populate the Policy Info screen.

Eff. Date	Exp. Date	Quota	Status
4/24/2005	5/1/2006	\$ 5000000	Active
4/24/2005	5/1/2006	\$ 1000000	Active
4/24/2005	5/1/2006	\$ 10000	Active

13. Enter a date into the **Exp. Date** field. The **Exp. Date** field is not populated by default. Entering an expiration date indicates the date the commission will no longer be valid. Leaving the expiration date field blank allows the commission rate to not expire. If this date is outside the Policy Term expiration date, the commission will not default to the Policy Info screen.

14. Enter a **Quota** amount as needed. The **Quota** amount is for reference only and is optional.

15. Click on the **Status** drop-down box and select **Active** which is populated by default or **Inactive** (if the commission default is no longer needed).

16. To finalize the new commission default, click the **[Update]** link to save changes or click the **[Cancel]** link to abort.

card file | contacts | locations | carrier names | **commissions**

View/Edit Existing Commission

[Cancel] [Delete] [Update]