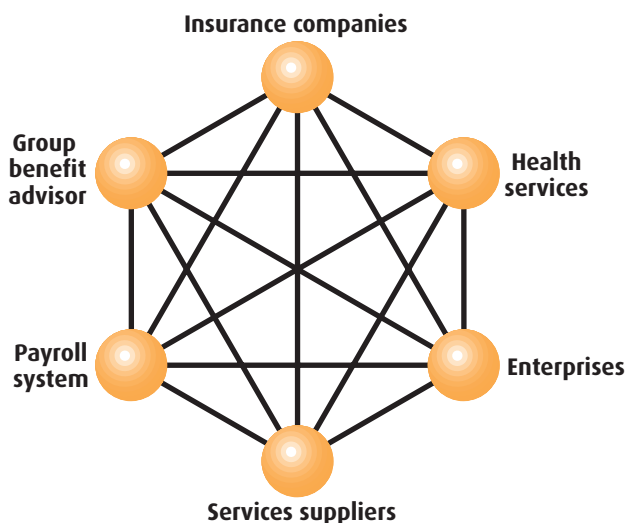




## Employee benefits and group insurance

# One challenge

### Problems



Same information in multiple-databases (4 +)  
 + 150 formats  
 Manual re-input of same data  
 Poor productivity  
 Legacy technology  
 Exchange formats quality and multiplicity  
 Difficulty to access the real information

# One opportunity



The new business models  
 Universal ASP/WEB solution based on a  
 "collaborative-commerce" model



Project management (Request for proposal),  
 Full or self administration, Claim adjudication

A **TOTALLY INTEGRATED** solution,  
 (from Sales management and proposal  
 presentation to claims management through a  
 highly sophisticated adjudication system,  
 including full or self administration and payroll  
 deductions), addressing the needs of **ALL** the  
 community **PARTICIPANTS** and taking full  
 advantage of **WEB** technologies  
 that is available **NOW**.  
 This approach, that allows the sharing of tasks  
 and responsibilities, provide access to the  
**REAL INFORMATION** in a secured and controlled  
 environment, Taking full advantage of the power  
 of « Collaborative Commerce » it insures a  
 substantial positive financial impact for each  
 while providing strong added value  
 to the customer.

# Managing Employees Benefits and Group Insurance is for most m

"The present business model is in my opinion totally dysfunctional, time consuming and costly. (... managing group insurance on a daily basis required the equivalent to 2 full time resources. Further The new C-surance technologies is the solution to my problem!"

## e-surance.ca provides a real solution to the m

### Operating Cost Reduction

(in 2000 ± 6,000,000,000\$\*)

- Eliminate multiplication of same data entries
- Share expenses and resources based on Pareto law:
  - 20% invested in a common core to address basic and none distinctive needs (vs. 80%)
  - 80% invested in BRANDING (vs. 20%)
- Outsource services
- Outsource non-distinctive IT's
- Better control of claims abuses
- Standardized training

### Increase strategic investments

- Improve information analysis processes, quality and quantity
- Generate services and products Models based on more significant information and trends
- Better target business opportunities and market
- Insure best strategic position to take advantage of an irreversible paradigm shift created by globalization
- BRANDING

### Standardize format and interface

- Improve information access
- Common management activities Sales management and presentation (proposal)
  - Quotations
  - Administration and billing
  - Claims
- Universal training
  - Clients
  - Suppliers
  - Partners
- Open, interactive and SECURED Databases

## For Whom?

Insurance companies

HR and payroll system

Consultants

### Insurance companies Financial institutions

- Most IT systems are legacy, out-dated, difficult and expensive to maintain or update.
- Outsourcing could be the best solution to update or replace the old IT system
- Allegroupe is a mature product in sophistication phase
- Allegroupe is a trusted and real solution
- Sharing 80% of the solution represent major financial advantages
- Standardization in administration, claims or quotation process, is an essential in globalization and greatly benefit the sharing companies (credit card - Interac - etc.)

### HR and payroll system

- Opportunity to offer value added services to existing clientele without important investments
- Opportunity to expand targeted client base
- Add one service and increase probable retention rate
- Potential additional revenues to the existing payroll services
- Limited cost of management

### Group benefit consultants

- Opportunity to offer value added services to existing clientele without important investments
- Opportunity to expand targeted clientele
- Add one service and increase probable retention rate
- Eliminate non-productive data manipulation needs
- Direct access to same information to insure higher level of professional services
- Simplified training and data processing activities with real time access to common information
- **Allows the advisor to provide professional service and assistance to their customers on a full time basis thank to data access and sharing of responsibilities.**

\* 2000 Canadian market

Insurers  
Self-Insured (estimated)  
Indirect cost (estimated)

Premiums

15 B\$  
5 B\$

Costs

3,5 B\$  
1,2 B\$  
1,5 B\$

Market trends : 2001 : + 20% 2002 : + 10%

# managers a necessary evil.

.) With some 1000 employees in 40 stores, 2 complementary group insurance contracts, moreover any special situations, such as renewal process, were painful and confusing.

Mrs. Ginette Godbout ex-CFO Guess? Jeans Canada

## needs of the community

### Centralize information

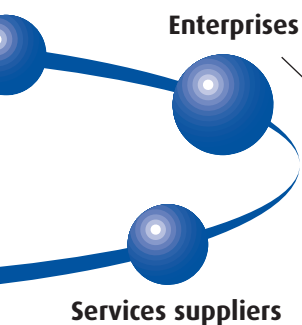
- Controlled Open Access to share task and responsibilities
- Easier data conversion for M&A (Merger and Acquisition)
- Expanded statistical information
- Streamline processes
- Full access to historical events in relation with:
  - Individuals, Enterprises, Suppliers, Etc.

### Capitalize on WEB opportunities

- Share risk
- Proven technologies
- Access expended budgets
- Access common and shared resources (Round table of discussion and permanent dedicated staffing for owns priorities)

### Add and improve services

- Optimize CRM and customer service
- Address creative and targeted branding based on much stronger products and services deployment
- Concentrate resources towards activities creating more distinctive value
- Speed up decision making in implementing or removing of strategies or products Increase profitability level



### Our Objectives

- Simplify complex management processes;
- Increase efficiency;
- Give instant access to information;
- Reduce the cost of managing throughout the entire process, with the net result that each partners saves or makes money.

### Services suppliers

- At last real time access for health professionals allowing claims processing through an instant powerful WEB adjudication system
- Reduction of operating costs for claims managers, by providing an access to a universal environment
- Cost reduction of R&D and deployment of technologies by sharing common data format for all partners while allowing for BRANDING and high value added services

### Enterprises, unions and governments

- Finally an environment ...
- Drastically limiting the need to inform multiple parties of movement
  - Giving access in real time to strategic information
  - Insuring full access and collaboration of professionals to ease the burden of management
  - Providing access to knowledgeable resources to support a universal tool for HR
  - Totally integrated with payroll or HR systems, carriers, group benefit consultants, etc...

## Why?



**Allegroupe is the only known fully functional Web based software on the market:**

- that addresses the **entire insurance community** market including: insurers, group benefits advisors, consulting firms, employers, payroll services, service suppliers and health services.
- that offers **full integration of every operation:** administration management, claim (adjudication), project management and quote

**The Allegroupe technology offers important features and services not provided by individual partners:**

- Makes "what if" or real-time calculations
- Retroactive or proactive management
- Multiple group/Multiple insurers and Self-insurances management
- Permanent history of employee record changes
- Allow individual invoicing or statement follow-up for seasonal or contractual employees, on disability or requiring individual billing
- An option to link with payroll or HR systems
- Complementary groups benefits management with same database (Union contributions, etc)
- Issues coverage summary reports by employee, indicating:
  - Detailed or Summary descriptions of protections in effect
  - employer/employee contributions
  - taxable benefits
- Access or maintenance of the essential information's at a fraction of the current cost
- Supply essential follow-up tools (Pending integration, proof of insurability, waivers, etc...)
- Management of extended coverage guarantees for participants
- Opportunities to use the saving to increase market shares or to invest in innovative products or services (20%)

## Why?



Because the business model allows every partner:

- To keep full control over their strategies while capitalizing on a powerful universal environment
- To concentrate all their energies in building the business and the BRANDING
- Service and access 24/7/365
- To own and control the solution

## The problem...

Unfortunately the traditional processing structure makes managing group insurance highly complex. In order to insure that each player's are able to perform their professional services, the information is scattered in various databases that are most of the time totally independent from one another. For instance the group insurance customer is dependent on: the insurance carrier, or carriers when the enterprise as multiple contracts, for the benefits coverage and premium, the group advisor or actuary to assist in the management the taxable benefits and employers/employees contributions as well as to insure that the group benefit manager will be fully protected against "Errors and Omissions" by providing professional guidance, as well this professional is needed to assist whenever there is a problem, the internal resources to record personnel movements as well as insure the follow up of enrollment, claims settlements, changes in status, etc., most of the same information needs to be transmitted to the payroll or HR system

To all of these unproductive tasks, we must add a long list of manual or automatic intervention to take into account the contract specifics, union convention, punctual request from personnel for "what if" scenarios, actual operational situation including temporary or permanent leave of absence, etc.

## The new ideal solution

The ideal solution is obvious. First and foremost we need a single universal database as well as a sophisticated user interface that will allow standardized operations. Secondly each participant must **share and assume full responsibility** for the tasks that they are assigned to insure data integrity at all time. Finally electronic links with payroll or HR system as well as with insurance carriers must exist.

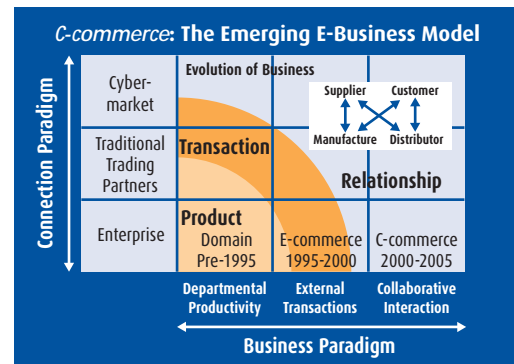
**The C-surance mission** complies with the needs and wills of customer as well as each partner's. Hereby the **customer**, can directly or via their payroll, HR manager or group advisor insure daily update of information at every levels. One single operation would replace the present minimum of four. The fiscal impact of such a process would be substantial. The **group advisor and/or the insurance carrier** could directly insure that the contract information (including benefits) are in effect and would be able to address instantly the individual request. Under the "C-surance" solution the **employee** could at anytime inquire about the status of is benefits as well as have instant response to "What if" scenarios.

As an added bonus, full history of events could be accessible by the customer with no lost of information link due a change of insurance company over the years. The sharing of this information with the insurance companies during the "request for proposal" or "renewals" period could insure proper underwriting by any insurance companies hereby protecting the industry against fraud and abuse. This would allow the **group advisor** to present quickly and more efficiently new or improved solutions to the customer in a standard format that would make it easier to make good business decisions.

A professional and highly secured "**Claims Adjudication**" integrated option is available with the management system allowing for easier claims management. This module could be accessible within the enterprise, the group advisors, the insurance carriers as well as directly by health professionals allowing for sharing the responsibilities. The direct impact of such an access would be to reduce delays and improve the level of satisfaction. This module insure a very high level of control (adjudication) insuring easy table driven tools to adapt each contract, division, classes or individuals. This configuration module is exclusively controled by the insurance companies or their authorized representatives.

## Future trends: The "c-com" or "collaborative commerce"

C-commerce provides a much deeper and richer form of B2B or B2C interaction designed to allow trading partners to serve as virtual collaborators across a wide array of business processes. Thus, a c-commerce framework acts as a virtual conduit for connecting information repositories, such as employee data, allowing companies to exploit opportunities more easily.



## A Customer Driven Solution



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