



Point of Sale Q&A

What is Point of Sale?

POS is the process whereby an insurance company sponsors the acquisition of underwriting reports by its agents rather than the traditional method that has reports ordered and acted upon within the company underwriting center or home office.

Is POS a new process?

iiX developed and introduced POS processing in 1984. However, it has become more common in recent years for a company to sponsor some, or all of its retail agents for POS.

Will our company maintain control of report ordering with POS?

- iiX establishes electronic access only for the agents specified by the sponsoring company.
- If an agent uses the sponsorship in an unreasonable way, that sponsorship can be revoked immediately once the company contacts iiX. Consequently, reports ordered that month are automatically charged to the agency.
- Only reports specified by the sponsoring company will be available for the agent's use.
- Accountability by agency is clearly stated on the monthly iiX Management Report/Invoice. The invoice lists each ordering agent and the quantity of each underwriting report ordered during a billing period. Optional in-depth management reports summarize information such as Average Credit Score by agency and order activity by agency.
- With the iiX "Report Scoring" process, some reports can be eliminated entirely. For example, if a credit score is sufficiently high based on company established criteria, although an MVR may have been ordered by the agent, the request is not processed. Also, agents cannot order reports that are not sanctioned by the company.

How does the POS process cut operating costs?

- The aggregation of volume will lower the cost, so sponsoring reports is significantly less expensive than reimbursement arrangements with individual agents.
- Since agents utilize the Internet for the POS reports, costs associated with shipping disks are eliminated, and set-up costs are usually less than \$25 per agency.
- The process saves money by eliminating applications based only on applicant disclosure. POS eliminates the cost of processing an application to the point of rejection and the cost of ordering the report internally to determine if it is acceptable.

Our agents may be hesitant to use a different process.

iiX has successfully provided POS services to more than 8,000 agents, and currently supplies access to underwriting reports to approximately 15,000 agents. Therefore, your agents may already be using iiX reports.

Is POS easy to set up?

All that is required to begin the POS program is to supply iiX with a list of each agency that a company desires to sponsor. iiX implements dozens of POS programs each year. Our implementation staff works closely with the company sponsorship list to explain to the agent the process and to encourage their participation. A list of agents set up to participate is sent every week to the appropriate company official.