

# INSURANCE PROCESSING SERVICE

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## Licensing & Appointments: How MetLife Drives the Process

"Processing a single insurance appointment or license sometimes seemed like a never-ending task," says Tige Jones, licensing manager for MetLife Investors.

"It's one of the most paper-intensive



TIGE JONES

tasks we face in the industry. We routinely telephoned, faxed, used overnight mail – anything that could speed

up the appointment – but the process could still drag on for weeks, even months."

That's why the insurance professionals at MetLife were so enthusiastic about the Licensing & Appointments (L&A) service offered by DTCC's Insurance Services. And that's why they took part in the pilot project and became one of the first users when the service went into operation last year.

L&A automates the two-way flow of information needed to process license and appointment information

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between insurance carriers and distributors, helping streamline and speed up the appointment of new insurance representatives. It also provides for money settlement between distributors and carriers.

### Instant benefits

"The L&A service has taken what was a manual, paper-intensive process and created a single industry standard which automates, centralizes and speeds the process," said Jones.

"And it offers instant cost benefits and increased service levels at the same time," he added.

The licensing and appointment of distributors is complicated by the fact that the insurance industry is regulated at the state level, and each state has

its own licensing requirements.

Generally, insurance brokers must be licensed in every state where they sell

insurance. And in addition to having state licenses, brokers must be appointed at the state level by individual insurance carriers to sell their products.

At MetLife, the average time it takes a licensing representative to process an appointment has gone from approximately 20 minutes per manual appointment to less than 5 minutes per L&A appointment. Although state processing timelines still drive appointment approval turnaround, the processing time for states that have adopted electronic appointment filing has been

drastically reduced from several weeks to days, even hours. "In many cases today, the process can now be completed within 24 hours," said Jones.

### Processing time

L&A benefits kick in as soon as a company begins using the product. "Processing time is

dramatically reduced," said Jones. "If you're dealing with a state that allows

**"L&A allows us to appoint and license more distributors faster than ever before. That means more people selling our product and more business for MetLife."**

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electronic appointment filing, you can have virtual straight-through processing. If automatic processing is allowed by the state, then same- to next-day turnaround on obtaining an appointment is possible.

"No matter what the state regulations are, the flow of information from the distributor to the carrier is fast and efficient, eliminating most of the manual steps needed for licensing and appointments," Jones said. "L&A allows us to appoint and license more distributors faster than ever before. That means more people selling our product and more business for MetLife."

Other benefits Jones pointed to include:

- Minimal chance for lost paperwork since L&A automates the flow of information.

## L&A: From first-time license requests to mass transfers and mergers

L&A service automates a broad range of licensing and appointment transactions, including:

- First-time and additional license requests
- License status
- Appointment requests
- Appointment status
- Mass transfers/mergers
- Producer demographic changes, including address, identification number, name and qualifying officer
- Renewals
- Team set-up, changes and deletions
- Terminations
- Periodic reconciliations

- Reduction in overnight and regular mail costs for both carriers and distributors.
- More efficient renewal process since distributors' and carriers' information is synchronized.
- Ability to prevent unauthorized

solicitation through synchronization of appointment data between carriers and distributors.

- New efficiencies allow companies to redeploy processing staff, as well as reduce the need for temporary help. □

*For more information on DTCC's Insurance Services and its L&A service, call (212) 855-4IPS (4477) or e-mail your request to [ips@dtcc.com](mailto:ips@dtcc.com).*



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