

The solution for demonstrating your Solvency II compliance

Solvency II is no longer an impending change to insurance regulations across Europe. Instead, it is the day-to-day reality that insurance companies must now comply with.

The focus has changed from the “best efforts” approach acceptable in the preparatory phase to ensuring full compliance with all the detailed requirements of Solvency II. This new reality has placed much more onerous requirements on insurance companies across their business activities, ranging from reserve calculations to governance frameworks to reporting requirements.

Companies spent a vast amount of time and resources preparing for Solvency II but now that Solvency II is live, how can companies satisfy themselves that they are compliant with the requirements? How does a company conduct an initial review, a quarterly assessment or an annual assessment? What happens if legislation is updated and the requirements change? How do team leaders, managers, Heads of Functions and the Board of Directors get satisfied with their company’s compliance?

Creating a checklist no longer seems like an option, considering there are 2,390 pages of requirements, counting the Directive, Delegated Acts and Level Three Guidelines alone. That is not to mention the volume of other related material such as the technical standards, and reporting log files.

In addition, a checklist approach won’t satisfy the need for records of all reviews, clear audit trails, a secure and reliable platform, automated workflows and a system for managing any necessary action items discovered.

The Milliman Solvency II Compliance Assessment Tool

We have used our Solvency II expertise to develop an intuitive and flexible tool to help companies assess how compliant they are with the Solvency II requirements. This builds on our experience of developing our Milliman Solvency II Readiness Assessment Tool over the last few years. In developing this tool we have partnered with ViClarity, a compliance software company to ensure that users will get the benefit of Milliman knowledge but also the functionality and platform that would be expected of a market leading compliance tool.

The Milliman Solvency II Compliance Assessment Tool distils the Solvency II requirements into easily digestible self-assessment questions. Assessing compliance across an entire organisation requires collaboration across all business operations and departments. The Milliman Solvency II Compliance Assessment Tool is based in an easy-to-use cloud based platform facilitating the gathering of all necessary information across the whole organisation.

This enables both life and non-life (re)insurance companies to easily monitor and assess their level of compliance across all three Pillars of Solvency II while simultaneously creating an audit trail of work done and a development plan for future actions.

Key features

EASY-TO-USE

- Easy-to-use tool with simple questions that are accessible for staff in all roles and departments

REPORTING FUNCTIONALITY

- System built reports showing the level of compliance in each area
- Can show all questions or non-compliant ones only
- Can show outstanding actions
- Data can be exported to Excel to allow further customisation of reports

WORKFLOW FUNCTIONALITY

- Allows the coordinator to delegate questions to selected individuals
- Questions can be scheduled for predefined intervals e.g. Pillar 1 questions quarterly; Solvency and Financial Condition Report annually etc.
- All responses from individuals are displayed in a single user friendly interface
- Approvals can be triggered based on completion of certain questions
- Email reminders to question holders where questions not yet completed
- Future tasks can be set up and tracked until completion

DETAILED ASSESSMENT

- Compliance based on the Solvency II regulations - including the consolidated Solvency II Directive, Delegated Acts, Implementing Technical Standards (ITS) and EIOPA Level 3 Guidelines

LINKS TO RELEVANT LEGISLATION

- The tool includes hyperlinks from each question to the relevant articles of the Solvency II regulations which provides an invaluable reference tool
- Users can see why each question is relevant and can get some context to the question being asked

LATEST UPDATES TO REGULATIONS

- Allow users to stay on top of the latest developments as the tool is updated to reflect any amendments to regulations

AUDIT FUNCTIONALITY

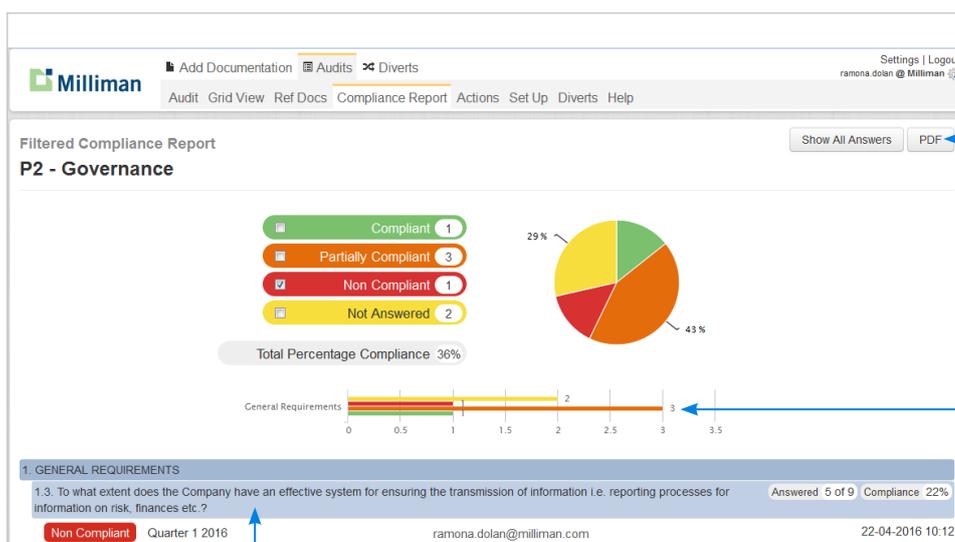
- Audit trail - who answered what and when
- Ability to upload supporting evidence

CLOUD BASED PLATFORM

- Cloud based platform supported by our partner ViClarity who specialise in compliance software

Compliance report

The compliance report provides a clear visual summary. At a glance, users can gauge their level of compliance across the various Solvency II requirements.



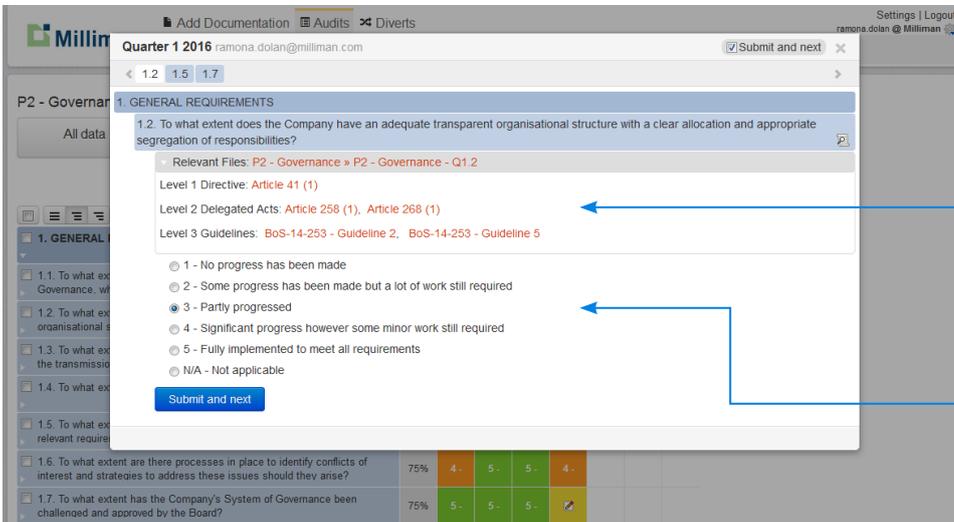
The report can be output to PDF in a single click.

Progress bars provide a breakdown of the level of compliance across all the questions whilst also highlighting any questions that have not been completed.

All questions can be displayed beneath the summary with the option to select particular categories of questions based on their level of compliance.

Easy-to-use interface

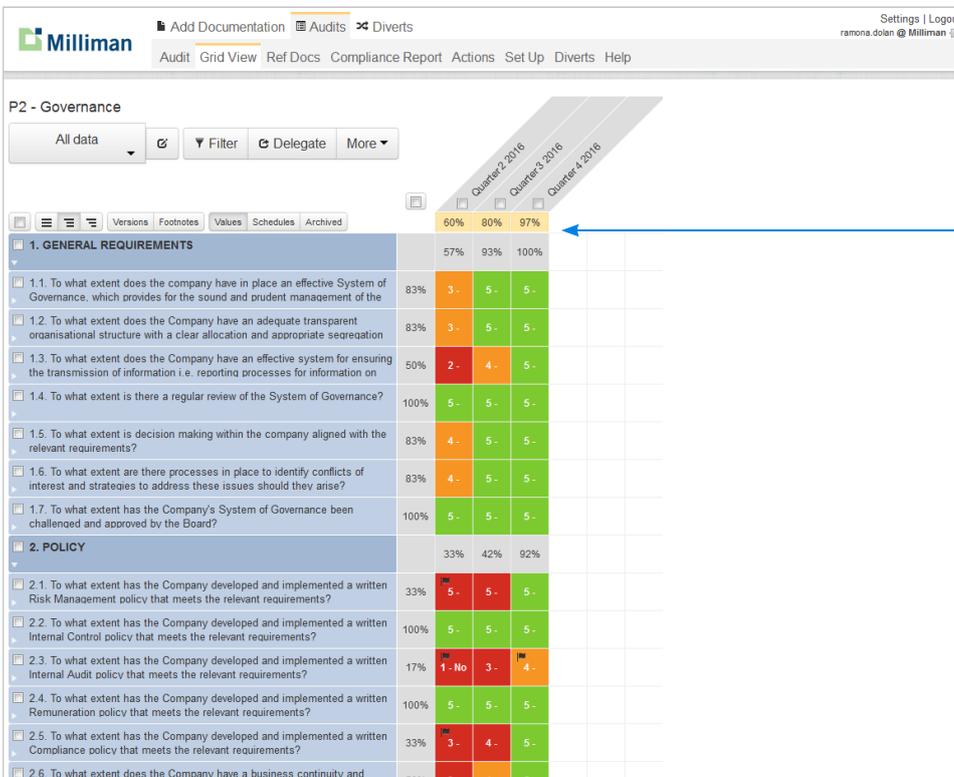
The easy-to-use interface allows users to assign a level of compliance to each Solvency II requirement at the click of a button.



The requirements are clearly set out with links to the relevant sources to allow users to easily access the more detailed requirements if desired.

The assigned scores can be supplemented by supporting comments and by the facility to upload supporting documents to allow other users and reviewers better understand the company's level of compliance for each requirement.

Administrators get a clear overview of the current review's status in real time.



The flexible user interface allows customisable comparisons against previous reviews.



ABOUT MILLIMAN

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in life insurance and financial services, property & casualty insurance, healthcare, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe.

MILLIMAN IN EUROPE

Milliman maintains a strong and growing presence in Europe with more than 250 professional consultants serving clients from offices in Amsterdam, Brussels, Bucharest, Dublin, Dusseldorf, London, Madrid, Milan, Paris, Stockholm, Warsaw, and Zurich.



OUR EXPERIENCE

We have been advising our clients on their migration towards Solvency II since its conception and have in depth knowledge of all areas of Solvency II legislation. We first developed the Milliman Solvency II Readiness Assessment Tool in 2013 to help clients assess their preparedness for Solvency II and this tool was updated and used extensively throughout the preparatory phases. Having acquired this considerable experience of the regulations, we are optimally placed to help companies ensure they are compliant through the new enhanced Milliman Solvency II Compliance Assessment Tool.

CONTACT

If you would like to arrange a free demonstration of the Solvency II Compliance Assessment Tool please contact Patrick Meghen, or your usual Milliman consultant.

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ABOUT VICLARITY

ViClarity is a Compliance Monitoring software provider delivering solutions into the Financial Services and Healthcare markets. The company has designed and developed a highly innovative technological software solution to help bring visibility and clarity to all aspects of compliance. In financial services its clients include over 85 Irish based credit unions, insurance clients, Insurance Ireland and many more. With offices now in Ireland, London and Chicago it continues to grow its client base globally with its innovative technology.



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