

Insurance: Profiles in Cash and Payments



INTRODUCTION

The treasury departments of insurance companies run like most other treasury operations - money comes in and money goes out. But it's the volume of transactions and the complexity of the legal structures that separates the insurance industry from most others. Managing and tracking cash across seemingly endless legal entities, banks, and geographic areas are forcing more and more insurance companies to seek world-class tools to keep track of their unique needs.

Cash Visibility

Simply tracking daily cash can be daunting when dealing with the legal structures and massive volumes that exist in this industry. For a company like BCS Insurance, which is the premier source for insurance and reinsurance for Blue Cross Blue Shield Plans across the 50 states, tracking daily cash positions is a critical business function.

Yvonne Lee, Vice President of Cash Management at BCS, is responsible for tracking cash down to the legal entity, and then to the product line, while ensuring all funds are segregated accordingly. Once in their most granular state, these cash inflows and outflows are reported at a high level and forwarded to executives to aid in senior management decisions.

Ms. Lee deals with these product lines and cash positions on a daily basis. "The treasury worksheets within GTreasury were able to provide an easy solution to viewing, reviewing, and reporting on cash inflows and outflows, and that was through the user codes," she says. GTreasury's proprietary user codes are able to both strip down BCS' transactions to look one way for cash viewing while consolidating them back up in another fashion to facilitate strategy.

KEY RESULTS

- Easy viewing, reviewing, and reporting on high volume cash across complex structures
- Reduce borrowing fees, pooling cash across entities, currencies, and geographies
- Anywhere access to schedule and approve all payments
- Increased speed of payment execution

Cash Pooling

As Keystart is exclusively focused on providing affordable In For Prudential, a multi-national diversified company, the ability to combine cash across multiple business units, currencies, and geographic locations allows them to borrow and lend within their corporate structure, limiting overdraft or borrowing fees.

"GTreasury was able to handle our complex account structure," states Cheryl Kavka, Manager of Corporate Banking for Prudential. "We pool accounts for investment purposes, which causes a more complex, large volume of accounts in one roll-up structure. We also have multiple reporting needs for cash flows and variances to share with our businesses."

Having used GTreasury's worksheets and unique user codes for almost two decades, Ms. Kavka and her team have been able to create and adapt the matrix of structures required to allow Prudential to manage their pooling requirements for their global operations. "The worksheets are flexible and give us the ability to add, move or remove accounts in real time," she notes.

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—Cheryl Kavka, Manager of Corporate Banking, Prudential

Payment Processing

One large, U.S.-based insurance company outgrew its existing infrastructure and turned to GTreasury for a solution to help simplify operations. As it continued to grow, it also added more financial institutions to its existing treasury processes. This growth was seriously impacting day-to-day operations. Prior to adopting GTreasury, the treasury group was required to store all its payment templates in Excel. It needed to login to more than 10 different bank websites, enter tokens manually, and get everything approved separately. Users can now access GTreasury’s single SaaS solution from anywhere to schedule and approve any and all payments. The results of moving to GTreasury for payment processing increased the speed of payment execution, expanded the accessibility for both payment requesters and approvers, and helped streamline annual audits.

Final Thoughts

These insurance companies and many of their industry peers have turned to GTreasury for solutions to accommodate an open structure for accounts, granularity in transactions, payment processing, data aggregation, roll-ups for viewing cash, and executive level reporting. While the insurance companies that GTreasury supports may differ on their transformation journeys, they all agree that partnering with GTreasury is the best insurance in an ever-evolving business landscape.

ABOUT GTREASURY

GTreasury’s integrated TMS not only keeps pace with today’s rapidly evolving enterprises, it surfaces the critical relationships between cash management and risk management. In this way, your treasury information becomes an invaluable driver of strategic business decisions.

For more information visit gtreasury.com



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