Process Property Out-of-Sequence Transaction

Background Information

An out-of-sequence transaction occurs when a *change* transaction is created on an existing policy and, **after it is bound**, a second transaction is started with **an earlier effective date**. The critical issue here is the second transaction changes the nature of the policy at a point prior to the effective date of the first transaction. Therefore, the second transaction must consider both what the policy looks like when it becomes effective and the impact of jobs which become effective later.

An out-of-sequence transaction creates a conflict if the second transaction modifies the same field as the first transaction, but each transaction sets the field to different value.

If there is no single field which was changed in both transactions to different values, then there are no conflicts to resolve. Changes from the "effective earlier" transaction are automatically merged into the "effective later" transaction and PolicyCenter lets the user know there are no conflicts.

In Brief

In this Quick Card, a policyholder calls and requests to add Water Backup coverage in the amount of 25,000 to his Property policy effective 03/01/2022. This change is quoted and bound.

The policyholder calls back later to request the Water Backup coverage amount be changed to 50,000 effective 09/01/2021. Since the first change is for the same field and has already been bound, but is for a future date, this second transaction will trigger an out-of-sequence conflict.

This quick card walks you through how to perform the second portion of the scenario and handle the out-of-sequence conflicts.

Log in to the VTO using the appropriate generic user account from the **VTO Information Guide** document.

Quick Card

IMPORTANT: This is a test environment. The next seven (7) steps are ONLY used in the VTO.

Clone the Policy

1. Click the down arrow to the right of the **Training** button on the **Tab Bar**. Select "**Create your own policy for training**" from the drop-down menu.
2. Enter "9113HR001425" in the **Policy Number** field exactly as it is shown, including spaces and capital letters.
3. Click the **Search Work Orders** button.
4. In the *Originals* section, click the checkbox to the left of the **Submission** Work Order Type for the policy being cloned. In this example, select the checkbox to the left of Work Order # 1480911.

5. Click the **Copy Selection** button.
   Note: If the *Copies* section does not automatically populate, click on the **Search** tab, then back on the **Training** tab. The clone information should be visible.
6. Scroll down, if necessary, to the *Copies* section.
7. Click the link in the **New Policy #** column for the Policy Change policy.

IMPORTANT: PolicyCenter automatically created a **New Account #**. The new account is linked to the *cloned* policy, not the original. The cloned policy opens on the policy *Summary* screen.

Summary screen

8. Click the **Actions** button.
9. Select "**Change Policy**" from the drop-down menu.

Start Policy Change screen

10. Enter "**09/01/2021**" in the **Effective Date** field.
11. Click the **Next >** button.

NOTE: The *Out-of-Sequence Transaction* dialogue box appears.

12. Click the **OK** button.

Policy Info screen

NOTE: An *Out-of-Sequence Transaction* alert label appears at the top of every step and lists the date(s) of all bound transactions with effective dates after this transaction's effective date.

13. Click the **Coverages** link.

Coverages screen

In the *Section 1 Coverages* section:

14. Click the Water Backup Limited checkbox.
15. Select "**50,000**" from the **Water Backup Limited** drop-down list.
16. Click the **Quote** button.

NOTE: An alert label appears at the top of the page stating: "*There are out-of-sequence conflicts that must be resolved prior to quoting. Please visit the **Policy Review** step to resolve the conflicts.*"

17. Click the **Policy Review** link.

Policy Review screen

18. Click the **Change Conflicts** tab.

NOTE: Two messages display, *"Some values specified in this Policy Change conflict with changes made with future effective dates. Please indicate which future conflicts are to be overridden, and then click Submit." and "Warning: Submitted changes cannot be undone."*

- When you selected **Yes**, the current value takes precedence. The value selected in the later change Work Order for that field is essentially ignored.

- Had you selected **No**, the value selected in the later change order would take precedence. The value in the current change Work Order is honored from the period *between* the two transactions. The "effective later" value, however, is sustained from the later transaction forward.

19. Select the "**Yes**" radio button to override the future conflicts.
20. Click the **Submit** button.

NOTE: PolicyCenter displays the following warning message *"Warning: Submitted changes cannot be undone. Are you sure you want to continue?"*

21. Click the **OK** button.
22. Click the **Quote** button.

IMPORTANT: This is a test environment. This data is not valid. The VTO is not connected to the rating system, but in production, you will see the correct premium.

Quote screen

23. Click the **Issue Change** button.
24. Click the **OK** button.

Policy Change Bound screen

PolicyCenter displays the message, *"Your Policy Change (#XXXX) has been bound."*