

# ReAnalyze

Your Reinsurance Resource for Contract Compliance



In today's complex reinsurance market, ensuring that the performance of your reinsurance contracts is consistent with its terms is crucial to fully realizing reinsurance premium revenue and maximizing cash flow. Can you say confidently that your contracts meet this test? If they don't, how would you know?

These troubling questions can be answered easily by **ReAnalyze**, PricewaterhouseCoopers' specialized approach to assessing the ceding company's compliance with reinsurance premium accounting and reporting.

## Why ReAnalyze?

While most assuming reinsurers provide on-going consultation to ceding companies related to underwriting and claims adjudication, little to no guidance is provided related to policies and procedures associated with premium revenue accounting and reporting.

Additionally, due to the manual processing nature of reinsurance premium transactions, the potential for errors in premium revenue accounting and reporting is heightened.

**ReAnalyze** enables assuming companies to ascertain contract compliance with premium revenue accounting and reporting requirements.

## Benefits of using ReAnalyze:

- Fully realize reinsurance premium revenue
- Improve cash flow
- Increase shareholder value
- Assist in underwriting decisions by assessing the completeness and accuracy of reinsurance premium revenue data used in pricing the reinsurance contract
- Provide "peace of mind" related to significant revenue sources
- Identify control weaknesses in the ceding company's reinsurance premium accounting and reporting process

*In the US, every US\$1 in fees invested in ReAnalyze has returned approximately US\$5 in unrealized premium revenue to the client.*



Peter Whalley, Chartered Insurance Practitioner  
Partner, Financial Services Group

# ReAnalyze

Your Reinsurance Resource for Contract Compliance

## The ReAnalyze Process

The **ReAnalyze** process is straightforward and most projects can be completed in a matter of weeks. In performing this process, PricewaterhouseCoopers works with reinsurers as follows:

Working with the assuming company, PricewaterhouseCoopers identifies reinsurance contracts which appear to have “common risk indicators” – those factors which we have found to indicate that a contract may be at risk.

For each contract that will be ReAnalyzed, a 3-5 day site visit is scheduled at the ceding company's office to:

- Obtain an understanding of the reinsurance premium accounting and reporting process
- Identify and test internal controls that support reinsurance premium accounting and reporting
- Perform substantive testing of monthly reinsurance premium reporting

A detailed report outlining the results of the site visit, including recommendations for improvement in internal controls and related findings, is delivered to the assuming company.

**ReAnalyze** is an efficient, effective mechanism for ensuring that your reinsurance contracts are generating the appropriate revenue. For more information about **ReAnalyze**, contact Peter Whalley (2289-1192) or Clarice Yen (2289-2704).

### ***About PricewaterhouseCoopers and Our Insurance Practice***

*PricewaterhouseCoopers ([www.pwcglobal.com](http://www.pwcglobal.com)) is the world's largest professional services firm with more than 125,000 professionals. Globally, 7,500 of these professionals specialize in serving our insurance industry clients to provide the highest possible level of service. We are experienced in all insurance industry sectors and with every facet of the business. We are able to offer knowledgeable, multidisciplinary teams with the necessary specialized functional skills to meet each client's needs. We audit several of Hong Kong's top insurance companies (including Hong Kong's largest insurance group) and provide non-audit services to many more.*