

NFIP NextGen Project

EDG Meeting Number 7 – WYO Company & Vendor Involvement I

July 12, 2007 from 9:30 AM to 11:30 | Crystal City, VA (FEMA Meeting Room)

Conference Call - 1.800.320.4330 (#744918)

Presentation Purpose: to effectively communicate WYO company and vendor upcoming NextGen Modernization for the new NFIP Bureau applications.

NextGen



NextGen Team

- Laurie Michie, FEMA NextGen Program Manager
- Jack Way, FEMA IT Manager & ISSO
- Amy Fester, NextGen Project Manager (OST Inc.)
- Fabio Mendonca, NextGen Lead Data Architect (OST Inc.)

SQANet

LOCATION
VALIDATION

ezClaims

FREE F₂M forms

AW-501

TRRP
DAILY CYCLE

Data
warehouse

EDG Meeting 7 Agenda

- NextGen Project Contacts
- Introduction & Welcome
- Meeting Purpose
- NextGen WYO Company and/or Vendor Awareness Outreach Campaign
 - Purpose
 - Meeting Dates
 - Agenda Checklists
- NextGen Security
 - Introduction to Encryption Requirement (*note this will discussed in detail with each company)
 - Access Control - Single Sign On
 - Interconnection Security Agreement (Memoranda of Understanding)
- Data Integrity Part II
- Review of NextGen Production Dates
- Getting Ready - As a WYO Company or Vendor, what do I have to do now?
- Next Steps



NextGen Project Contacts

- Laurie Michie, Chief Insurance Operations
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- Jack Way, IT Project Manager & ISSO
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- Ed Pasterick, EDG Facilitator
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- Amy Fester, NextGen Project Manager
 - afester@ostglobal.com
- NextGen Pilot Coordinator
 - nextgen@ostglobal.com

Welcome & Introduction

- **EDG Mission**
 - Make informed decisions and direct optimal course for NextGen's final development and production phases
 - Maintain focus on technologically relevant procedures and operations, tabling items related to legislative and some programmatic areas
- **Meeting Purpose**
 - Introduce the topic and first set of decision points
 - Discuss decision options
 - Explore technical impacts, options and timing
 - Determine decision paths for resolution



NextGen WYO Company and/or Vendor Awareness Outreach Campaign

- Purpose
- Meeting Dates
- Agenda Checklists

Awareness and Outreach Purpose

- The NextGen team will be visiting WYO companies that process their own data and NFIP Vendors to communicate, clarify and assist with NFIP modernization activities
 - Submission Modernization Updates
 - Business Process Enhancements
 - System and IT Impacts and Changes

Awareness and Outreach Meeting Dates

- Meeting Dates
 - July 29 – September 25
 - NextGen is contacting all WYO company and/or their vendor point of contacts to coordinate meeting days

Awareness and Outreach Agenda Checklists

- The WYO company or their vendor point of contact will be able to create their own agenda based on their needs by selecting agenda topics on the checklist
 - Required Topics
 - Optional Topics

Checklists will determine the day-long agenda!



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Awareness and Outreach – Next Steps

- Confirm Face-to-Face Meeting Day
- Conduct Awareness and Outreach Meeting
- Review Technical QuickStarts
- Conduct Technical Conference Calls, if needed
- Submit Sample Submissions (test period)
- Review Reports

Goal is to have a smooth transition into the new Bureau IT Environment



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NextGen Security

- Interconnection Security Agreement (ISA)
- Memoranda of Understanding (MOU)
- Introduction to Encryption Requirement
 - Note this will be discussed in detail with each company
- Access Control – Single Sign On

NFIP Interconnection Security Agreement (ISA)

- ISA is Required for All WYO Companies, their Vendors and others Who Submit Data to the NFIP
- ISA Includes the Following
 - Identifies Systems Submitting Data to the NFIP Bureau
 - TRRP Cycle Data
 - Financial Data
 - Any NextGen a la carte Applications Data
 - Provides Primary Contact with Signatory Authority
 - Provides Technical Systems Descriptions
 - Describes the Security Environment
 - Security Policies
 - Security Controls

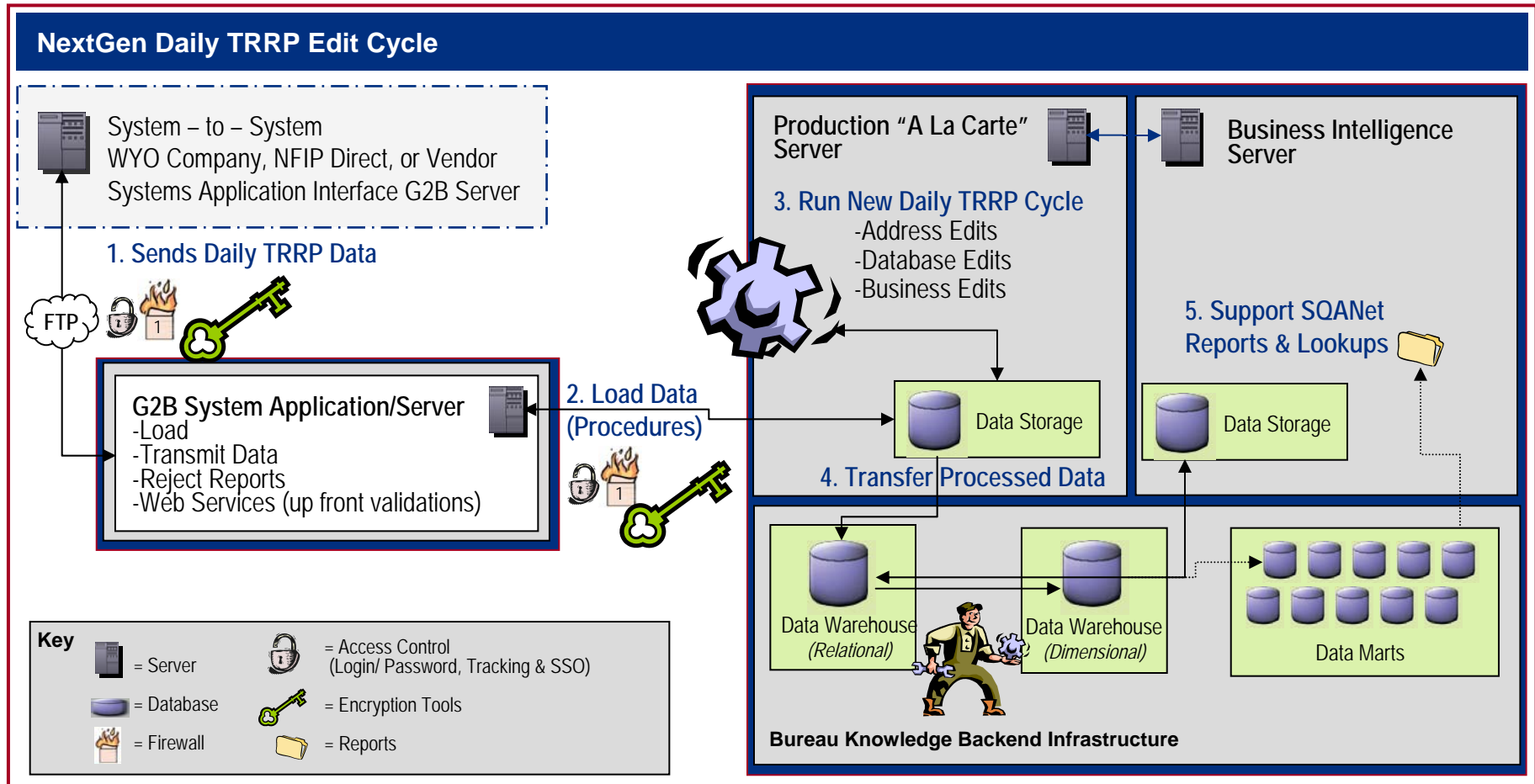
Memorandum of Understanding (MOU)

- **MOU Primarily Defines Responsibilities for Parties Identified in the ISA and the Following**
 - Non-Technical Systems Descriptions
 - Authority by which the MOU is based
 - Interconnection Background
 - Communications Expectations
 - Security Compliance Confirmation
 - ISA/MOU Timeframes

Introduction to Encryption Requirement

- The translation of data into a secret code. Encryption is the most effective way to achieve data security.
- To read an encrypted file, you must have access to a secret key or password that enables you to decrypt it.
- Unencrypted data is called plain text; encrypted data is referred to as cipher text.
- There are two main types of encryption
 - Public Key Encryption (also know as Asymmetric encryption)*
 - Symmetric encryption

NFIP NextGen Bureau Production Architecture/Environment



What needs to be encrypted?

- Batch TRRP Data (required)
- Batch FREE Quote Data (optional)
- Batch Location Validation (optional)
- FTP Reports

Public Key System

- Two keys - a public key known to everyone and a private or secret key known only to the recipient of the message. When John wants to send a secure message to Jane, he uses Jane's public key to encrypt the message. Jane then uses her private key to decrypt it.
- An important element to the public key system is that the public and private keys are related in such a way that only the public key can be used to encrypt messages and only the corresponding private key can be used to decrypt them. Moreover, it is virtually impossible to deduce the private key if you know the public key.
- Public-key systems, such as Pretty Good Privacy (PGP), are becoming popular for transmitting information via the Internet. They are extremely secure and relatively simple to use.


NextGen Encryption

- NextGen will manage the keys in our global registry of public keys, using LDAP (*Lightweight Directory Access Protocol*) technology
- NextGen will work with each company on this effort



Access Control - Single Sign On (SSO)

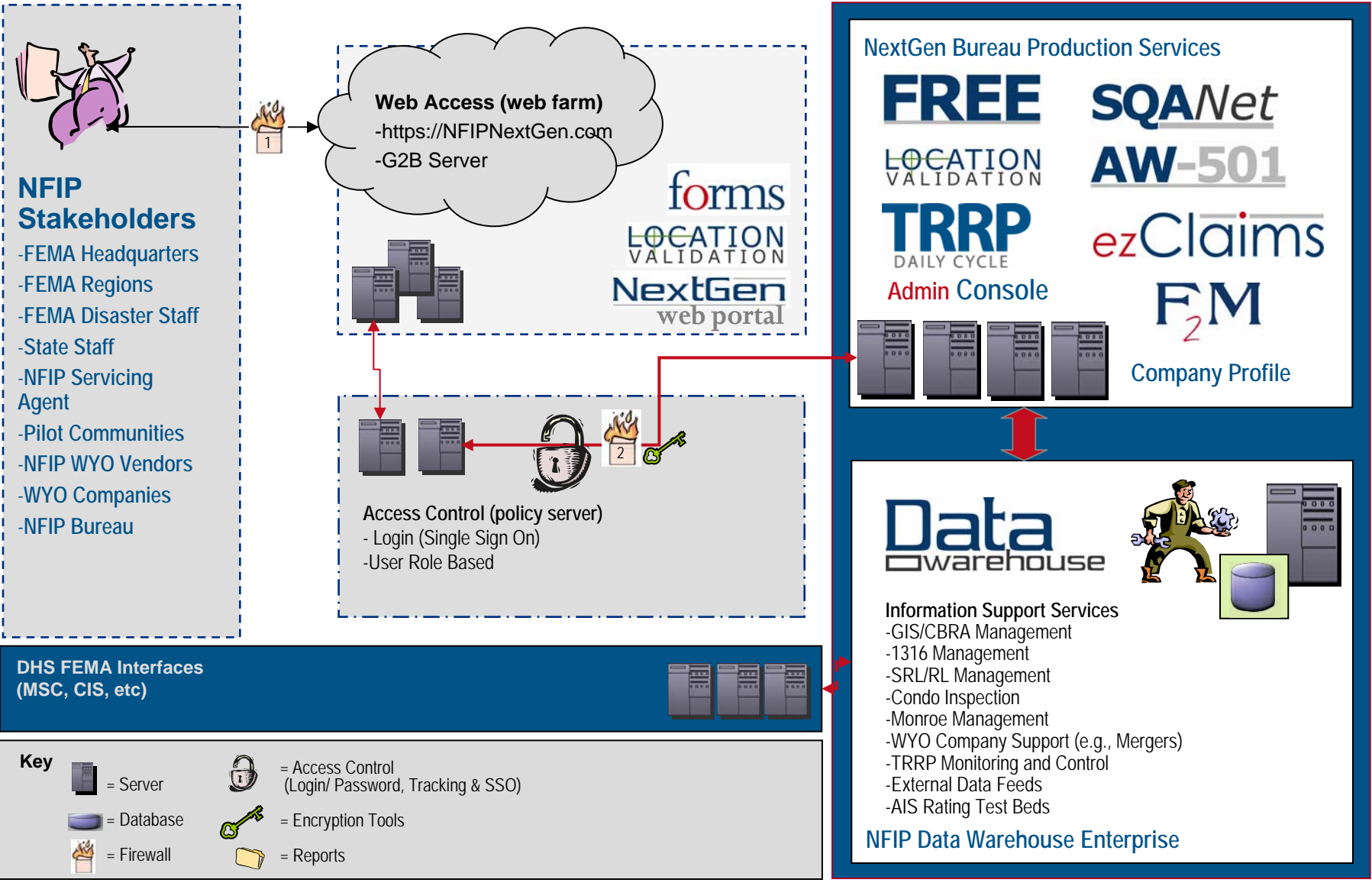
- Access Control manages users accounts to allow or deny access to designated NextGen applications (see below)
- Single Sign On provides one user name and password for one or all applications which is based on the approved user's role and level
 - SSO only applies to NextGen applications that are Internet/Web based (real time person to machine)

No Access Required	Protected Applications - Access Required
  	      



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NFIP NextGen Bureau Production Architecture Environment



NextGen Application Single Sign On

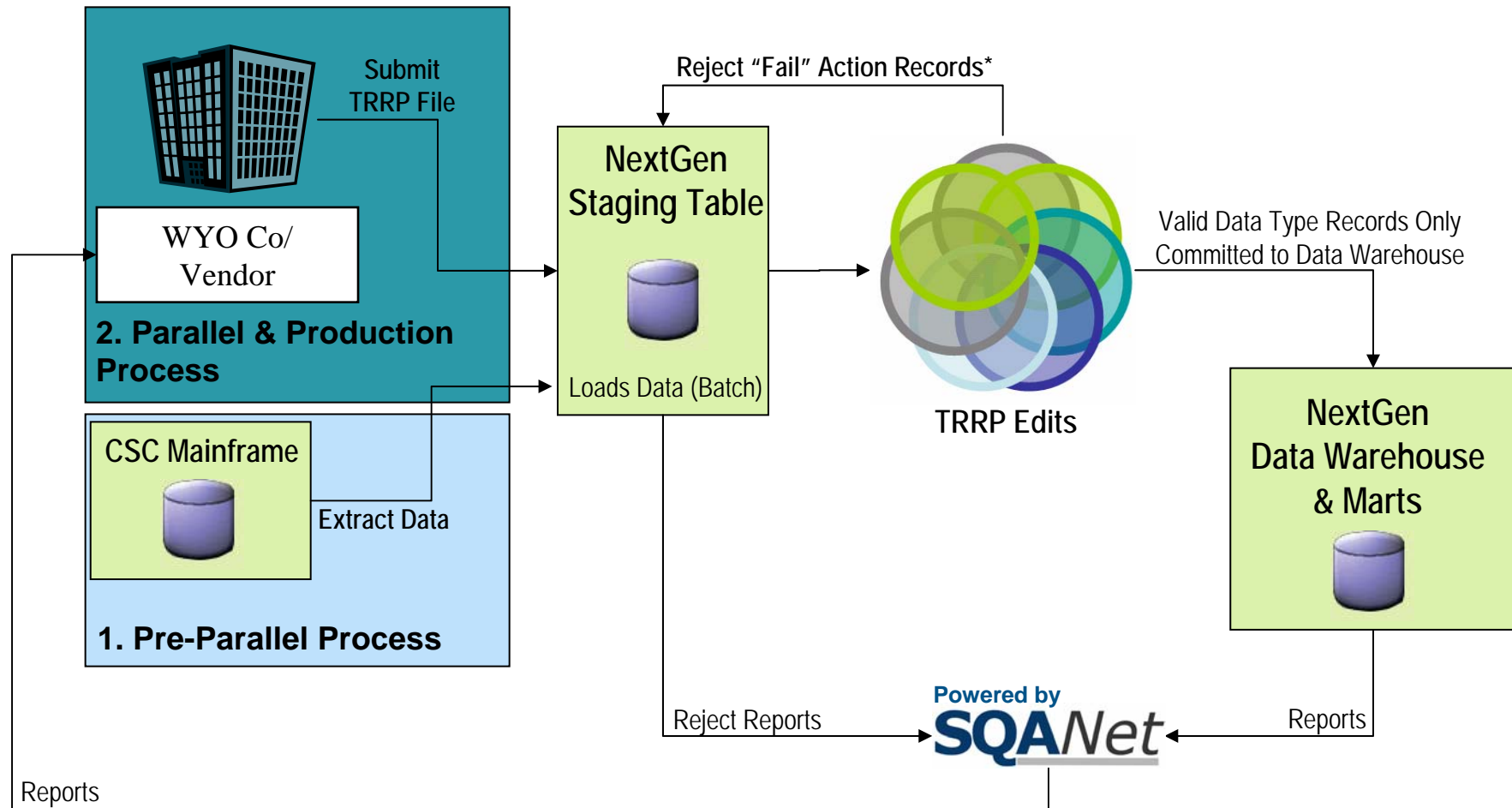
- Request & Approval Process
 - 1. Requests Access (normally the end user)
 - 2. NextGen Security Defines Access Level
 - 3. Gain Approval from WYO Company/Vendor POC
 - 4. Gain Approval from FEMA ISSO POC
 - 5. Communicate Results to Requester
- Managing Users
 - NextGen is developing the NextGen Admin Console for POC to view and manage users
 - Internet-based application
 - WYO Company/Vendor POC must manage their users by
 - NextGen Admin Console
 - Request Reports
 - NFIP Bureau Business Analyst



Data Integrity Part II

- Data Submission into the NFIP Data Warehouse Review
 - A. TRRP Data Type Edits (Covered in EDG Meeting 2)
 - B. TRRP Business Edits (Covered in Meeting 5)
- Next Steps

Data Integrity



NextGen will work with each WYO company to correct or fix the rejected records during the pre-parallel and parallel processes (with the “Fail” action*) so the data can be committed in the data warehouse.

A. Data Type Decision

- A “Data Type” is the expected format that is listed in the TRRP Manual/Edit Specs
 - Examples
 - Elevation Difference: expected format is a number
 - Policy Expiration Date: expected format is a date. A date of aa-bb-06 would be an unexpected format.
- NextGen **WILL** enforce WYO company submitted TRRP “data type” element requirements not traditionally enforced in the current mainframe environment.
- Enforce the **Data Integrity Solution** during the NextGen pre-parallel, parallel and production environments



A. Data Type Decision & Solutions

Solution	Benefits	Impacts
<p>1. Data Integrity * Enforce Long - Standing TRRP Data Integrity Requirements for new and historical data</p>	<p>-Improved Data Quality and Integrity - Better Analytical Reporting (business intelligence)</p>	<p>- WYO Companies will need to follow established TRRP Requirements -TRRP Reporting reflects only valid data -Change in TRRP Reporting (more critical errors)</p>
<p>2. Suspend Suspend WYO TRRP records until they are correctly resubmitted</p>	<p>-Improved Data Quality/Integrity -Better Analytical Reporting (business intelligence)</p>	<p>-Ambiguous TRRP Reporting -Additional Reporting for WYO Co and Bureau -Increase Manual Process for the Bureau to Un-Suspend Records</p>
<p>3. Status Quo</p>	<p>No Change</p>	<p>-No Improvement to Data Quality/Integrity -As-is Analytical Reporting</p>



A. TRRP Business Edits Decision

- A “Business Edit” is the TRRP logic that validates TRRP records. A business edit may yield a critical errors or be error free. The business edits are listed in the TRRP Manual/Edit Specs Documentation.
- Examples
 - “Contents Claims Payment (ACV)” – for a loss may not be less than zero.
 - “Date of Loss” – Must be within a Policy Term.
 - “Property Zip Code” – Zip Code is invalid
 - “Map Panel Number” – Map Panel Number Cannot Be Zeros Or Blanks.
- NextGen **WILL** enforce selected WYO company submitted TRRP “business edits” element requirements not are not traditionally enforced in the current mainframe environment.
- Enforce the **Hybrid Solution** during the NextGen pre-parallel, parallel and production environments
- **Status:** Business edits are being reviewed to determine which edits are important for FEMA reporting needs. The review also includes the WYO company impact assessment.



B. Business Edit Decision & Solutions

Solution	Benefits	Impacts
<p>1. Data Integrity Enforce Long - Standing TRRP Data Integrity Requirements for new NextGen and Mainframe Processed data</p>	<ul style="list-style-type: none"> -Improve Data Quality and Integrity - Better Analytical Reporting (business intelligence) 	<ul style="list-style-type: none"> - WYO Co. will need to comply to modified TRRP Requirements -TRRP Reporting reflects only valid data -WYO Co. will be responsible for accurate & clean data. Critical errors will remain critical, but the file will also be rejected.
<p>2. Status Quo</p>	<p>No Change</p>	<ul style="list-style-type: none"> -No Improvement to Data Quality/Integrity -As-is Analytical Reporting
<p>3. Hybrid Analyze TRRP Elements and reject only some critical errors and not others based on analyses and tests.</p>	<ul style="list-style-type: none"> -Limited Data Improvement, better than status quo -Lower impact than Option 1 for WYO Co. -Quality/Integrity -Better Analytical Reporting 	<ul style="list-style-type: none"> - WYO Co. will need to comply to modified TRRP Requirements -TRRP Reporting reflects only valid data -WYO Co. will be responsible for accurate & clean data. Critical errors will remain critical, but the file will also be rejected.

Data Integrity for A and B Next Steps

- NextGen will provide Data Integrity reports to each company
 - Excel Spreadsheets
 - Initial Pre-Parallel Report August/September 2007 (Discussed at NextGen Awareness and Outreach Meeting)
 - Parallel Report October 2007
 - Production Report January 2008
- Each company will need to review reports to make a decision on the Reject “Fail” Action Records
 - Changes from the company will be marked on the Excel spreadsheet and return to NextGen team
 - Example 1
 - Company Reported Policy Expiration Date = 01-00-06
 - Change to = 01-01-06
- Once NextGen is in Production
 - WYO companies will continue to be responsible for their data submissions, and they will have to resubmit failed records through the TRRP cycle (this is the same process that is currently in place to submit rejected TRRP records)
 - “NFIP TRRP Edit Specification for the WYO Company” document will be updated to reflect the action changes

Review of NextGen Timeframes

- **Timeframe**

- Pilot Programs: Now
- Pre-Parallel Processing: Now – October 2007
- Parallel Processing: October–December 2007
- Production: January 1, 2008

NextGen Applications: Pilot Programs

- AW-501 (Available Now)
- Location Validation (RT Available Now; Batch and Web Services – In testing)
- NextGen Online Forms (Available Now)
- SQANet (Available Now)
- FREE (Available Now RT & Batch; Web Services – Fall 2007)
- NextGen Financials (F2M) (In SME Bureau Testing)
- NextGen ezClaims (In Development; SME Testing)
- Company Profile (In Development)



What is the minimum that I need to do NOW?

- Now – October 2007
 1. Verify Awareness & Outreach Meeting Date and Complete Checklist
 2. Attend Awareness & Outreach Meeting
 3. Review and Update NextGen Data Integrity Reports
 4. Review NextGen Technical QuickStarts & Request NextGen Technical Conference Calls, if needed
 5. Begin working on TRRP & IT Changes (Refer to Impact - slide 31)
 6. Modify TRRP Logic Edits in Company/Vendor System
 7. Submit Sample Submissions
 8. Review Reports
 9. Complete ISA and MOU
 10. Get ready and start using F2M (Submissions Start in Oct 2007)
 11. Get familiar with NextGen applications and setup users (examples below)
 - ✓ ezClaims Company Claims – same format as Bureau Quick Claims
 - ✓ SQANet – access to your reports
 - ✓ ezClaims Re-Inspections – you can upload each claims file online!
 12. Start working on the Daily TRRP Cycle Requirement - May 2008

Figure C.2-1 NextGen Stakeholder Interaction Frequency and Methods

NextGen Application	Stakeholder Involvement				Transmission Methods		
	WYO Companies/ Vendors	States, Communities, Regions	NFIP Bureau/ Contractors	Frequency	Real-Time Person-to- Machine	Batch Machine-to- Machine	Web Services Machine-to- Machine
NextGen Daily TRRP	Required 😊	None	Required	Daily	⊖	⊕	⊖
NextGen Portal	★	★	★	As Needed	⊕	⊖	⊖
Location Validation	Optional	Optional	Optional	As Needed	⊕	⊕	⊕
SQANet	Optional	Optional	Optional	As Needed	⊕	⊖	⊖
Forms	Optional	Optional	Optional	As Needed	⊕	⊖	⊖
Flood Rating Engine Environment (FREE)	Optional	None	Optional	As Needed	⊕	⊕	⊕
Flood Financial Management (F2M)	Required 😊	None	Required	Monthly	⊕	⊕	⊖
EZClaims	Required 😊	Optional	Required	Weekly	⊕	⊕	⊖
Company Profile	Required 😊	None	Required	Minimum Yearly, As Needed	⊕	⊖	⊖
Admin Console	Optional	Optional	Required	As Needed	⊕	⊖	⊖
AW-501	None	Required	Required	As Needed	⊕	⊖	⊖

★ The NextGen portal is optional, however it serves as the gateway to other NextGen applications.

⊕ YES ⊖ NO

What is the minimum that I need to do NOW?

■ October – December 2007

1. Review and Update NextGen Data Integrity Reports
2. Review NextGen Technical QuickStarts & Request NextGen Technical Conference Calls, if needed
3. Submit Submissions to NextGen
4. Review Reports
5. Begin using F2M (Submissions Start in Oct 2007)
6. Start using required NextGen applications and setup users (examples below)
 - ✓ ezClaims Company Claims – same format as Bureau Quick Claims
 - ✓ SQANet – access to your reports
 - ✓ ezClaims Re-Inspections – you can upload each claims file online!
7. Continue to work on the Daily TRRP Cycle Requirement - May 2008

What is the minimum that I need to do NOW?

- **January 2008**
 1. Review and Update the Last Production NextGen Data Integrity Reports
 2. Submit all NFIP Submissions to NextGen Production Environment
 3. Continue using required NextGen applications
 4. Continue to work on the Daily TRRP Cycle Requirement – Start Date May 2008

Impact - WYO Co and Vendor Changes

1. Increase in TRRP Cycle Frequency (Required)
2. New FTP Server (Required)
3. Daily Submissions (Required)
4. TRRP Data Layout (Required)
 1. Headers and Footers
 2. Front-End Balancing
 3. F2M
 4. File Naming Change
5. Data Types Changes (Required)
 1. Changes to enforce data types and some business edits from update to reject
 2. More Rejects (enforce critical errors by rejecting instead of updating)
6. TRRP Cycle Reports
7. A la Carte Transmission Options (Optional)
8. Enforcement of Existing Validations (e.g., More TRRP Rejects)
9. Self Service Reports
 1. Ability to View Tracking and Auditing Reports
 2. Lookup and Creation of Reports on the Fly
10. ezClaims Disaster Information Entry
11. WYO Company Profile Request Entry
12. Access Control Oversight of Company Personnel to NextGen Systems (NextGen Admin Console)
13. Standard Underwriting Validations (e.g., FREE will be used to underwrite SFR at the Bureau)
14. F2M Submissions
15. WYO Company Supporting Document Internet/Electric Uploads

Next EDG Meeting - TRRP Migration Decision Points

- Test NextGen TRRP Edits
 - Correctness/Accuracy
 - Reconcile Acceptable Differences
 - Performance and Stress Testing (Ensure Daily Cycle Time)
- Test Results Acceptance
 - Statistical variance amount between current TRRP and NextGen TRRP (Continued Reconciliation)
 - NextGen will probably identify more errors
 - Timeframe - Three Months
- Company Production Migration
 - Results needed to become a “NextGen” Company
 - Determine Migration Exceptions
- WYO Company Transition Process
 - Finalize the Batch Process with Bureau Data first (Data reconciliation with Mainframe TRRP)
 - Migrate Historical Data via ETL
 - Maintain Synchronization with Mainframe



Summary

- Questions