



## API INITIATIVE

### BACKGROUND

The CLIEDIS organization focuses on data exchange between carriers, distributors and third party service providers in the insurance industry.

Today, CLIEDIS supports data exchange via CITS (Canadian Insurance Transaction Standards) data feeds. These feeds are batch files that follow a standard format and are delivered from the carrier to the distributors' back office system in an secure FTP environment.

In the fall of 2017, the CLIEDIS Executive Committee considered the key technology and business areas CLIEDIS needs to focus on to ensure we continue to be relevant to our members. They specifically considered what disruptors are coming at us in the industry, regulatory bodies and on the technology front.

On the technology front, real-time APIs were identified as the #1 opportunity and our biggest threat to standard data exchange if we do not support this technology. This sentiment was echoed at the CLIEDIS FAWG (Feed Adoption Working Group) meeting in April 2018 when it was one of the top items the participants wanted to see CLIEDIS support.

### SCOPE

The purpose of the API initiative is to ensure that CLIEDIS members can provide standard real time connectivity via external facing APIs between carriers, distributors and third party service providers that serve the distribution market. Distributors will be utilizing these APIs through their distribution systems and portals.

APIs are being considered as a way to augment feeds, not replace them. APIs will be defined to access additional pieces of information and functionality that distributors want beyond what is already provided via a feed and is better delivered in a connected environment.

Out of scope are the definitions of micro service APIs, direct to consumer based APIs, APIs internal to carriers, APIs as a replacement to data feeds. An API design that serves all possible purposes is not being proposed. Our focus is on what and how to expose an API, not what happens after it is called.

To be determined: Direct to advisor APIs; APIs between distribution systems and advisor systems; categories of third party service providers.

### OBJECTIVES

- Build an API roadmap for the distribution market outlining desired APIs and order of priority.
- Develop a standard technical architecture with reusable design principles that support the categories of APIs in scope but be agnostic of a specific API.
- Define standard requirements for specific APIs.
- Work with membership to implement the specific APIs.

## GROUPS

Separate working groups are being established to determine technical and business requirements.

These groups are interdependent on one another. These groups will need to have a common forum and specific touchpoints to coordinate and ensure the technical design will meet the business expectations.

### **API Technical Architecture Working Group:**

Purpose:

To define the API interface and security requirements in absence of a specific request. Initial topics, subject to change:

- Technology choice – REST or SOAP
- Role of ACORD Standards
- URLs and payload structure
- HTTP method usage
- Error handling
- Supported communication patterns (Real-time, Batch, Async, etc)
- Transport level security (SSL, IP Whitelist)
- User authentication mechanism
- Granting access to 3<sup>rd</sup> parties
- Versioning issues

Composition:

This group is made up of engineers and architects that work directly with API technology within their company today. Key representation comes from carriers, distribution systems, and third party service providers that will be developing or accessing APIs.

Status:

Subject matter experts were identified in August 2018. Surveys were conducted in August. The initial meeting was held September 27, 2018; recurring bi-weekly meetings established through year end 2018.

### **API Roadmap Working Group:**

Purpose:

Identifies the API initiative scope, roadmap and priorities and helps to develop business case for carriers. Initial topics, subject to change:

- Refine scope of initiative
- Identify APIs to address over a three year horizon
- Determine prioritization criteria
- Prioritize APIs based on criteria

Composition:

Business owners from carriers; both owners and users from distributors' offices that can identify gaps in what they receive today.

Status:

Carriers were surveyed regarding existing or planned APIs in August 2018. Participants to be identified.

**API Business Functionality Working Group(s):**

Purpose:

To define the business requirements for each API. This includes the data requirements and expected behaviors. These groups will be created based on the specific APIs on the roadmap and order of priority.

Composition:

To be determined based on the specific APIs being addressed.

Status:

Pending