MAY 21, 2012 | VOL. 90, NO. 10

WEST REGION

INSURANCE JOURNAL

THE NATIONAL PROPERTY & CASUALTY MAGAZINE

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Opening Note

If I Do Say So Myself

"That had to be the most salacious first paragraph ever in *Insurance Journal*'s history."

I smiled and couldn't help letting a bit of pride well up when an insurance industry veteran and fellow courtroom gallery onlooker expressed his thougths on a recent story I wrote on InsuranceJournal.com about the court case he and I had been watching on and off for months.

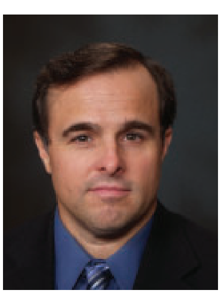
The case involves a bankrupt insurance agency in Southern California, and turned into an accusation-fueled battle over a request for a temporary restraining order filed by the new owner of the firm against its old owners.

The case dragged on, and dragged out a few skeletons. It also brought to light several lesser known factoids about the agency, including that it seems to have been in the early stages of building an "adult entertainment program."

The first paragraph the gentleman was speaking of, known in journalism circles as a "lead," referenced a quote from Ronald Regan and an emergency motion from a sex toy business.

Also brought to light during the hearing was the industry's awareness of *Insurance Journal*, which has been mentioned by lawyers several times during the legal battle, as well as in an application filed with the court that notes "A reporter from the *Insurance Journal*, the leading publication in the insurance industry, has been attending each and every day of the evidentiary hearing on the preliminary injunction."

'A reporter from the Insurance Journal, the leading publication in the insurance industry, has been attending each and every day of the evidentiary hearing on the preliminary injunction.'



It's nice to be noticed. But it's also nice to see that the local community of insurance brokers and agents are so informed, and care about what goes on in their industry. You see similar evidence at the industry's myriad conferences each year.

Early on in the trial one of the attorneys for the defendants implied that the judge should impose a gag order. Federal Bankruptcy Court Judge Maureen Tighe in her wisdom called that suggestion extreme and merely advised everyone to watch what they say. Both parties took her advice and have said nothing outside of the courtroom — other than comments about the stories on the case, or to say they get *Insurance Journal*'s daily email news blast.

That's left all the talking to be done in court by long-winded attorneys and their witnesses, with occasional input from Tighe, who has kept the hearings orderly and progressing — albeit at a painfully slow and grueling pace.

Don Jergler
West Editor

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Insurance Journal, The National Property/Casualty Magazine (ISSN: 00204714) is published semi-monthly by Wells Publishing, Inc., 3570 Camino del Rio North, Suite 200, San Diego, CA 92108-1747. Periodicals Postage Paid at San Diego, CA and at additional mailing offices. **SUBSCRIPTION RATES:** $7.95 per copy, $12.95 per special issue copy, $195 per year in the U.S., $295 per year all other countries. **DISCLAIMER:** While the information in this publication is derived from sources believed reliable and is subject to reasonable care in preparation and editing, it is not intended to be legal, accounting, tax, technical or other professional advice. Readers are advised to consult competent professionals for application to their particular situation. Copyright 2012 Wells Publishing, Inc. All Rights Reserved. Content may not be photocopied, reproduced or redistributed without written permission. Insurance Journal is a publication of Wells Publishing, Inc.

POSTMASTER: Send change of address form to Insurance Journal, Circulation Department, PO Box 9049, Maple Shade, NJ 08052

ARTICLE REPRINTS: For reprints of articles in this issue, contact Rhonda Brown at 1-866-879-9144 ext. 194 or rhondab@fosterprinting.com. Visit insurancejournal.com/reprints for more information.

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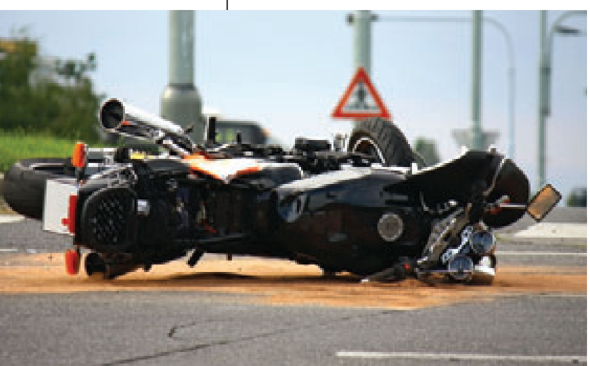
News & Markets

Idaho Man Gets Jail Time for Faking Motorcycle Mishap

The insurance claim seemed straightforward: Jason Preston said his motorcycle was wrecked.

His clothing was scuffed up to prove it.

But Idaho investigators figured there was something fishy about the Blackfoot man's story he'd crashed the bike to avoid hitting an animal in July, 2011.



So what began as a seemingly ordinary Idaho traffic mishap has resulted in Preston being sentenced to 20 days in jail for insurance fraud and damaging insured property. A 6th District judge suspended Preston's one-to-four-year prison term.

Idaho Attorney General Lawrence Wasden described what really happened: The 31-year-old placed his motorcycle in his truck, accelerated and pushed it off the back. Preston's girlfriend then dragged him down the road.

The case was investigated by the Bonneville County sheriff and Idaho Department of Insurance. IJ

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Hawaii Lawmakers Pass 3 Cybercrime Measures

Hawaii lawmakers have approved a trio of bills aimed at preventing cybercrimes.

The bills offer law enforcement and prosecutors more tools to charge and penalize those who use computers to commit crimes.

One bill allows judges to collect electronic evidence held by mainland organizations. Another makes it easier to prosecute those who use computers to knowingly harass victims.

A third bill increases penalties for various cybercrimes, such as identity theft. It also creates a new felony offense for computer fraud in the third degree — an aggravated form of theft, according to Republican Reps. Kymberly Marcos Pine and George Fontaine.

Pine says the cybercrime package gives victims hope their perpetrators can be prosecuted. She wants Hawaii to be one of the toughest states in the nation on cybercriminals. IJ

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Colorado Lawyer Loses Liability Over Medical MJ Practice

A Denver, Colo. lawyer has lost her liability insurance because part of her practice involves representing medical-marijuana businesses.

The *Denver Post* reported the Hanover Insurance Group told Ann Toney it wouldn't renew her malpractice coverage. It sent a notice saying Toney's practice doesn't meet current underwriting guidelines because she has an area of practice involving medical marijuana, which it said was a risk factor.

Toney says she makes sure her clients comply with Colorado's medical-marijuana laws but that she also advises that marijuana sales remain illegal federally.

Allen St. Pierre is the executive director of the National Organization for the Reform of Marijuana Laws. He told the *Denver Post* he knows of no other lawyer to lose insurance because of work with medical-marijuana businesses. IJ

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$20M-Plus Crop Damage When Storm Shreds Central California Orchards

A fierce spring storm that shredded Central California orchards last month caused more than $20 million damage in Kings County.

Other San Joaquin Valley counties are still tallying the damage to crops when quarter-sized hail pummeled the area on April 11.

The *Fresno Bee* reported the storm mowed down cotton, kiwi, cherry, apricot, peach, plum and nectarine crops. Hardest hit were fruit tree growers.

Kings County grower John Tos says he lost about 90 percent of his peaches, nectarines, plums, prunes, apricots and cherries.

Kings County deputy agriculture commissioner Steve Schweizer says the county plans request disaster assistance. IJ

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Declarations

Mouth Full of Niño

"There is considerable forecast uncertainty as to whether neutral or El Niño conditions will prevail, due largely to the inability to predict whether the warmer sea surface temperatures will result in the ocean-atmosphere coupling required for a sustained El Niño event."

— *The U.S. Climate Prediction Center's way of saying that La Nina is gone but that it doesn't know whether it will be followed by an El Niño event this year.*

Jones Pleased

"I'm pleased the Court of Appeal summarily rejected two insurance company trade associations' interim challenge to the department's homeowners replacement cost regulations."

— *Insurance Commissioner Dave Jones commenting on the California Court of Appeal's dismissal of a legal challenge by two insurance associations to regulations adopted by CDI last summer. The case now returns to Superior Court.*

No Overtime for You

"In furtherance of its scheme, despite illegally paying the employee on a salary basis, Alaska Communications still forces its sales and marketing employees to complete false time sheets indicating that they do not work overtime hours."

— *A lawsuit alleges Alaska Communication Systems Group denied sales and marketing employees overtime pay by classifying them as salaried employees.*

Testing the Waters

"We've been down this road before, and we've seen how unproductive and destructive lapses of the program can be."

— *Senator Jon Tester, D-Mont, commenting at a hearing examining the need for long-term reauthorization and reform of the National Flood Insurance Program, set to expire at the end of May.*

Figures

$5 Million

Is how much a Durango, Colo. man is suing BP for, claiming he was fired for reporting safety violations by a BP contractor.

$3.2 Million

Is what a jury awarded the widow of an 88-year-old Colorado man who died as a result of bedsores he suffered in a Rocky Ford nursing home.

15 Acres

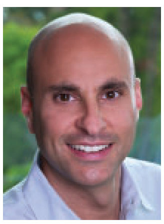
Is the size of a wildfire sparked by a science project at a southern Arizona school. The project involved model rockets being launched behind Elgin School. One of the rockets landed in the pasture behind the school.

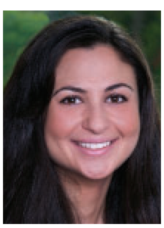
$75,000

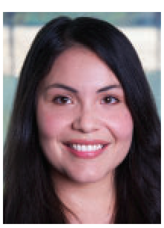
That's the amount of a damage claim filed by a Helena couple who rented a greenhouse to a medical marijuana operation that was raided by federal authorities. When the claim was denied the couple sued their broker and carrier, Insurance Unlimited, alleging the broker failed to forward information about the operation to Farmers Alliance Mutual Insurance Co.

People


Matt Singerman


Jeremy Barnett


Desiree Khoury


Connie Rivas

Encino, Calif.-based **NAS Insurance Services** has expanded its national specialty insurance business with the addition of **Matt Singerman**, chief financial officer, and **Jeremy Barnett**, senior vice president of marketing to the executive team.

NAS' product teams are also expanding as the demand for specialty reinsurance grows. **Desiree Khoury** has been promoted to specialty reinsurance manager and will manage product implementation, contract administration and will oversee marketing strategy for all reinsurance products.

In claims , **Connie Rivas** has been promoted to claims and contracts manager.

NAS is a product-oriented, independent underwriting manager of specialty insurance with full binding authority to underwrite on behalf of Lloyd's of London and other carriers.

Salt Lake City, Utah-based **The Buckner Co.** named **Frank Lancaster** vice president and corporate controller.

Lancaster is an accounting professional who has spent most of his career in insurance.

Since January The Buckner Co. has increased its employee ranks 10 percent.

The Buckner Co. occupies four offices in two states, serving construction, agriculture, and commercial businesses, as well as personal homeowner and auto insurance, employee benefits, trucking and transportation insurance and surety bonding.

Klayton Caldiero has joined Tustin, Calif.-based **Yates** as vice president.

He is tasked with expanding Yates' casualty capabilities. He will be concentrating on his specialties, including construction, environmental and manufacturing.

Caldiero started his insurance career 11 years ago on the retail side of the business with a specialization in residential construction placements. He has been a wholesale broker for the past six years coming from a Los Angeles based MGA/wholesale operation.

Woodruff-Sawyer & Co. named **Linda M. Hunter** vice president, Sacramento Employee Benefits practice leader of the San Francisco, Calif.-based firm.

Hunter will focus on client relationship management and business development.

Hunter has more than 30 years of experience. Prior to Woodruff-Sawyer, Hunter was president and founder of Compensation Planning Group. The company went through several mergers, first becoming a part of Total Benefits Solutions, and then ABD and Wells Fargo.

Colorado Springs, Colo.-based **Insurance Technologies LLC** named **Mike Mecham** senior vice president of client services.

Mecham's responsibilities will include managing all client service implementations for all the company's product lines. Mecham has worked at Insurance Technologies for 11 years.

Insurance Technologies provides sales automation solutions to the financial services industry.

IMA Inc. named **Lise Kafka** to its health risk management practice, Life IQ, and **Christopher Walters** has joined IMA's sales team.

Kafka and Walters will be located in IMA's Denver office.

Kafka will contribute to Life IQ, IMA's multidisciplinary health risk management consulting practice.

Walters will work with employers to protect their assets. He oversaw a large occupational medicine clinic in Colorado for nearly 10 years.

IMA is a diversified financial services company specializing in insurance, asset and risk management with 450 employees and offices in seven markets across the nation. IJ

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News & Markets

Medical Messing up the Mix in California Workers' Comp

By Don Jergler

If you hunt for answers among California's myriad experts and those with informed opinions on workers' compensation and ask them to name the biggest problem with the system, a majority will cite the rising costs associated with treating injured workers — it's almost a no-brainer, considering that for the past few years studies show medical costs and utilization consuming the lion's share of workers' comp payouts.

Dr. Douglas Benner, chief medical officer of San Jose, Calif.-based EK Health Services, a national workers' compensation managed care firm, likes to drill down further on the topic — and he doesn't mind offering his opinion on just what he feels are the biggest contributors to the problem.

"I'd say overtreatment and ineffective treatment," Benner said.

Workers' compensation in California, as in many states, is being hit particularly hard by rising medical costs. That is forcing premiums to rise — and they will likely continue rising faster than payrolls can grow.

"For the last 20 years there's been a shift," Benner said, noting that it used to be that disability and indemnity constituted about half of the sum for claims paid out, with medical expenses counting for the other half. "Now medical is becoming the largest component paid."

Recent studies show that over the last few years visits, procedures per visit, and average costs have all been on the rise, and these rising costs are putting pressure on the system.

In fact, the Workers' Compensation Insurance Rating Bureau has proposed on July 1 to have an increase in the pure premium rate.

According to WCIRB, advisory pure premium rates average $2.51 per $100 of payroll, which is 4.1 percent higher than the industry average filed pure premium rate as of Jan. 1 of $2.41.

"Since the reforms of 2002 through 2004 were fully implemented in 2005, losses and loss adjustment expenses have grown more quickly than the California economy as represented by insured payroll," WCIRB states.

ALAE

Medical and allocated loss adjustment expense (ALAE) per indemnity claim is projected to rise by 66 percent from 2005 to 2013, but the wage level growth in California is projected to be only 25 percent over the same period, according to WCIRB.

In the three quarters since WCIRB's March 31, 2011, evaluation of experience, the indicated average pure premium rate per $100 of payroll has increased by 18 cents.

Current costs per claim for all major cost components are "well above the levels incurred immediately following full implementation in 2005 of the 2002 through 2004 reforms," WCIRB states.

Accordign to WCIRB the average medical cost per indemnity claim has risen by 45 percent since 2005.

And a 2011 study by the California Workers' Compensation Institute analyzing increases in medical severities based on payment data through then end of 2010 showed large increases in medical payments per claim over a range of medical treatment categories and injuries.

The CWCI data blames those increases on across-the-board rises in number of visits per claim, number of procedures per visit, and the average

continued on page 14

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News & Markets

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cost of each procedure.

And according to WCIRB, the cost of Medicare set-asides has been increasing. WCIRB cites a 2011 study conducted by the University of California at Berkeley that the total countrywide cost of Medicare set-asides rose from $180 million in 2004 to $950 million in 2008, putting the figure at roughly 4 percent of total medical paid.

Medicare requires that funds be set aside in trust for future medical expenses for injured workers who will become eligible for Medicare during their claim period. Centers for Medicare and Medicaid Services (CMS) must approve these set-asides for trusts exceeding $25,000 before a claim can be closed.

> Pharmacy is going up and up and up, some of that is due to opiates and new formulations of opiates.'

But CMS has had some criticism for taking too long to review and approve these trusts. Even if the injured worker has approved the settlement, a claim can remain open and benefits continue to be paid sometimes for months until CMS signs off.

However, there may be some relief on that front. A pair of Congressman have authored the Medicare Secondary Payer and Workers' Compensation Settlement Agreement Act of 2012 (H.R. 5284), which aims to resolve the delays and introduce consistent standards into the review of set-asides by CMS.

It's tempting to blame the rising cost of healthcare for the increases being seen in workers' comp medical costs, however an annual report from the California Commission on Health and Safety and Workers' Compensation shows that from 1998 to 2010 workers' comp medical costs have far outpaced medical inflation, and that's been the case every year.

Dr. Douglas Benner

That report also shows increases almost across the board in medical benefits paid by insured employers from 2009 to 2010 totaling more than $137 million. According to the report, payments to physicians rose more than $35 million, and payments to hospitals were up more than $48 million during that time. Pharmacy also accounted for a large portion of those increases, rising by more than $21 million.

Opioids

Among the medical costs drivers is the cost of pharmaceuticals, which has increased rapidly since 2005. The 2011 CWCI study showed that pharmaceutical costs, which include durable medical equipment, per indemnity claim through 12 months of treatment almost doubled from $279 on accidents occurring in 2005 to $543 on accidents occurring in 2009.

Further CWCI research suggested that this increase is partially attributable to sharp growth in the use of Schedule II Opioids and in the utilization of compound drugs.

"Pharmacy is one of the biggest drivers of medical costs," said Benner, who formerly worked for Kaiser Permanente, where he was the founding medical director of Kaiser's On-the Job practice. "Pharmacy is going up and up and up, some of that is due to opiates and new formulations of opiates."

Opiate use in workers' comp related cases between 1997 and 2007 rose an estimated 627 percent, while deaths related to opiates have risen 300 percent, according to Benner.

The rise in use comes on a rising tide of popularity of painkillers, such as Fentanyl, which comes in a convenient

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News & Markets

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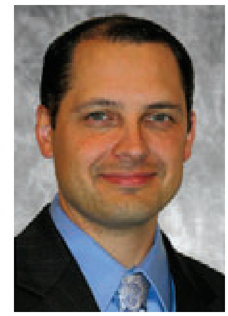
Band-Aid-like formulation, as well as in a lollipop form. The narcotic analgesic, which has been historically used to treat breakthrough pain, is estimated to be 100 times more potent than morphine.

Such potent opiates are being prescribed more often by doctors with patients on workers' comp, Benner said.

Surgery is another growing contributor to workers' comp expenses, according to Benner.

Hardware in surgical procedures used to be considered part of the surgery and calculated in the costs, but a practice that's becoming more commonplace now is adding the hardware as a separate expense, pushing up surgery costs, Benner said.



Jerry Azevedo

"We've seen surgery bills of over $100,000 for spinal surgery," he said.

He added: "More people are getting more procedures, there's more surgery, and the surgery that's done is more expensive, and there's all this technology."

Jerry Azevedo, a spokesman for the Workers' Compensation Action Network, a group that represents the interests of employers, believes the system incentivizes bad actors.

More and more doctors who are not authorized to tackle workers' comp cases are

'We've seen surgery bills of over $100,000 for spinal surgery.'

taking them on. After treating their workers' comp patient, they use medical treatment liens to get paid for their services rendered. Once their lien is in the workers' comp system, the doctors can negotiate how much they will settle for and they can expect a reasonable settlement, Azevedo said.

"The reason that this type of behavior is exploding is they have a reasonable expectation that they'll get paid," he said. "Judges are just drowning in these liens. Hundreds of thousands of them each year."

According to the report from the Commission on Health Safety and Workers' Compensation, roughly 350,000 workers' compensation liens were filed in 2010 and over 450,000 more are expected to be filed in 2011.

Litigation over these liens is one of the fastest growing cost drivers in the workers' compensation system, according to Azevedo.

continued on page 18

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News & Markets

Medical, continued from page 16

Oversight

Paid by Insured Employers

Medical Benefits (Thousand $)	2009	2010	Change
Physicians	$1,470,210	$1,506,063	$35,853
Capitated Medical	$3,475	$5,241	$1,766
Hospital	$1,045,745	$1,094,579	$48,834
Pharmacy	$339,600	$361,168	$21,568
Payments Made Directly to Patient	$825,867	$819,902	-$5,965
Medical-Legal Evaluation	$159,602	$168,711	$9,109
Medical Cost-Containment Programs*	$320,722	$346,650	$25,928
Total	$4,165,221	$4,302,314	$137,093

Source: California Commission on Health and Safety and Workers' Compensation

Senate Bill 863, authored by State Sen. Ted Lieu, would reform how these liens are handled, placing greater restrictions on the Workers' Compensation Appeals Board and other state organizations in regards to handling of these liens.

The bill is moving its way through state Legislature. It passed a full Senate vote with no opposition and so far it has received unanimous support in the Assembly.

Lack of oversight is another phrase uttered by people when they are asked to evaluate California's workers' compensation system.

Waning oversight of the state's workers' comp system, such as a utilization review process intended to stem overuse and abuse of the system, is often blamed for rising costs. In fact, at a recent hearing at the state Capitol on potential workers' comp reform package, the cost of utilization review was blamed as being among the problems causing a surge costs in the system.

"It seems like in workers' comp there are less controls than in group health," Benner said. "California does have utilization review, but people are very creative in how to work around it."

Talk of another comprehensive workers' comp reform package due out this year similar in scope the one pushed by Gov. Arnold Schwarzenegger during his term in office has grown louder. At the end of March a joint Assembly and Senate hearing was held, titled "Informational Hearing, Injured Workers Since SB 899: A Discussion on the Impacts of SB 899 on Permanent Disability Benefits," to discuss such reform.

The tone of most speakers at the hearing — speakers included California Insurance Commissioner Dave Jones, organizations like CWCI, the chief of the Department of Industrial Relations, insurer associations, and worker advocates — suggested another reform package approaching the magnitude of Senate Bill 899, the legislation signed by Schwarzenegger in 2004 that changed or affected just about every part of the state's workers' comp system.

But for now it has been up to companies to push safety standards, as well as shop for the best rates, and for insurers to rely on programs like those at EK Health Services, where Benner says they are working on the problem in early and late stages.

Managed care firms like EK Health review bills, conduct utilization review, and consult with physicians to deny or modify treatment requests.

One of their primary programs attempts to address what some see as one of the biggest issues driving medical costs: legacy cases.

EK reviews legacy cases, those lasting from two to 10 or more years, then examines what types of medications and treatment plans the patients are on. They assign a team of professionals as part of a monthly roundtable discussion with the attorneys for the client, treating physicians to develop a plan for getting a patient back to work.

In many cases, it's discovered a patient is on too large a dosage of opiates or conflicting medications are making the patient worse, keeping them from returning to work, Benner said.

"We've had patients on potentially lethal doses of opiates," Benner said. "Some of these cases are running several hundreds of thousands of dollars a year, and these people get to be pretty nonfunctional."

Beside legacy cases, EK Health Services also pushes a program that addresses cases flagged early on in the claims process that pose a risk of turning into legacy cases.

The firm uses a short list of questions that ask people about their attitudes toward pain, their job and how they function at it, if they have fears of getting better, if there's joy in their life.

"You can stratify people who may have a high risk of not getting better," Benner said, adding that the program zeroes in on personality disorders, depression and other issues that may signal a person is a more likely candidate to experience trouble coping with an injury.

Such people tend to "catastrophize," or make things seem worse than they are, Benner said, adding the program helps them get special attention, such as coaching, "so they don't get stuck."

Comorbidities

Aside from mental roadblocks to recovery are physical barriers that are increasingly coming into play as a factor in rising workers' comp costs.

Examples are a worker who injured a knee and who is also obese and not highly mobile to begin with, or an aging worker with an injured back, making a timely return to work more difficult for either worker.

"Comorbidities are a growing factor," WCAN's Azevedo said. "It's among the macro-dynamics that are affecting medical costs. It's this whole issue of comorbidities with people working who are older, people working longer, and we are as a society more overweight and less fit than maybe we were at a certain point in history."

Azevedo places comorbidities as one of the "big ticket items" he believes are weighing on the system.

Like others who have made their careers dealing with California's unwieldy workers' comp system, Azevedo blames utilization, problem areas like surgery costs, prescription drugs and an "explosion in diagnostics and testing," as well as an erosion of some of tools adopted in the last decade that were intended to deliver health care according to evidence-based guidelines.

While working to fix the system takes up a lot of his time, it's the eventual impact that a system most say is again broken will have on those he represents that takes front-and-center in Azevedo's world.

"We've been watching costs go up in California for a number of years both on the medical and indemnity side and eventually that's going to be reflected in the costs that employers pay for workers' comp insurance," he said. IJ

News & Markets

Game On!

Market Conditions Right for Insurers in Sports, Entertainment Segment

By Amy O'Connor

Americans love their sports and entertainment, and right now so does the insurance industry. Insurers are renewing their focus on this class where they see potential, even in the midst of what seems like a never-ending soft market.

"This market is not being hit the same as other commercial markets, but there is increased attention and heightened competition," says Terry Rybicki, national sales executive for Fireman's Fund's Entertainment Division.

Rybicki says the level of competition depends on the size of the risk.

"When it comes to less complex or smaller accounts, many carriers are competing by being more price sensitive for clients," he says. "But what I am seeing for marquis accounts are a lot of new entrants are being excluded because they don't have the experience or desired expertise."

> '[A] lot of new entrants are being excluded because they don't have the experience.'

Fireman's Fund recently expanded its entertainment capabilities in Canada with the creation of a new underwriting team. Rybicki says Fireman's Fund has been working in the neighbor country through its parent-company Allianz, but wanted to further grow and strengthen its current relationships.

The carrier will focus on its core areas including film, DICE (documentaries, industrial films, commercials and educational films), TV, live touring and special music events in Canada. In general, its entertainment division has dabbled in the sports arena, says Rybicki, but hasn't made a full commitment, yet.

"We are always looking at new opportunities, but we want to make sure we have the right expertise before we expand into it," says Rybicki.

On the sports side, new entrant Sports Insurance Specialists (SIS) has found success in the competitive soft market conditions. The company launched last August and SIS President Jeff Ladd had hoped to bring in between $2 million and $3 million in premium in the company's first year, which it will likely surpass as he says it has logged $1.6 million in premium since January.

"We have had quite a bit of demand. The key is once you get [customers] in, you have to take care of them and then they tell their friends and you hope to grow that way," Ladd says.

Ladd says he has noticed things are firming up for unique risks like auto racing or those with an uncommon element, such as a speedway with a snow-park, which have become more difficult to get coverage for.

"In the past it was not a problem to get those covered," he says. "I think it's because of how long the market has been soft. Some of the markets don't have enough share of a specialty niche and it's hard for them to stay in based on the pricing. Everything has been beat up."

Ladd says SIS will also grow through agency acquisitions, such as the one it completed last fall of an Indianapolis agency focused on motor sports. He says the market hardening should bring about more opportunities for his young agency to acquire others.

SIS is also getting ready to go into other sporting avenues, including golf for private and public clubs and PGA tournaments.

Ladd says SIS is just focused on sports right now but is looking into other opportunities on the entertainment side.

Jerid Schmickle, senior vice president of NAS Insurance's new Entertainment and Sports Division in Minneapolis, Minn., says the company started in this segment because it wanted to expand into other specialty lines and utilize its relationships with Lloyd's of London.

The division is targeting risks in the entertainment, hospitality, media and sports industries. It offers general and excess liability, as well as contingency coverages like cancellation and non-appearance, and sports promotions. Later in the year it plans to add inland marine coverage for entertainment equipment and instruments, and accident and medical coverage.

"My facility isn't going to compete against bigger carriers," Schmickle says. "We are looking for more unique risks that are looking for specific solutions for their industry."

Schmickle says there have been some pricing increases on certain lines and carriers that are jumping in and out of some classes, which he says has to do with severe incidents last year like stage collapses.

Schmickle says the entertainment and sports world is actually quite small, even if it is getting more attention right now.

"Most of the brokers are specialists and there are people that are stronger in certain areas — some are good at touring, some are good at certain events," he says. "They all chase and have certain relationships with people that manage the business. Once you are in, it seems to be the same people, same brokers." IJ

News & Markets

Survey: Young Drivers Know Risks But Text Anyway

Most young American drivers agree that it is dangerous to text while driving, but nearly a third admit they do it anyway, a survey by Consumer Reports shows.

While eight in 10 said they knew of the risks, about 29 percent of drivers 16 to 21 said they had used text messaging in the past month, the survey found. And, 47 percent said they had made a phone call while driving, without a headset or other hands-free device.

The same survey showed that 48 percent said they had seen one or both of their parents using a cell phone without a hands-free device.

Nevertheless, last year there were the fewest traffic fatalities in the United States in more than six decades.

The number would have been even lower if not for traffic deaths caused by drivers who were distracted by using a mobile phone or engaged in other types of attention-dividing tasks, said Rebecca Lindland, director of automotive research for IHS Inc.

The U.S. National Highway Traffic Safety Administration said that in 2010, some 3,092 were killed in "distracted-affected crashes," or 9.4 percent of all road deaths.

A NHTSA survey earlier this year showed that younger drivers from ages 18 to 20 showed the highest level of phone involvement in crashes or near-crashes. Drivers of this age are three times more likely to read or send an email or text message while driving than those 25 and older, the NHTSA survey found.

Reports of texting while driving drop sharply as age increases, NHTSA said.

The Consumer Reports survey said that half the young drivers survey said they are less likely to text while driving or use a handheld phone while a friend is in the vehicle with them.

A NHTSA observational study found that in the latest two years for which data was available, 2009 and 2010, 5 percent of drivers were seen talking on handheld phones.

Thirty-seven of the 50 U.S. states have totally banned using the keyboard – texting – on a mobile phone or other device while driving, and 10 states have outlawed the use of handheld phones.

The states, along with the District of Columbia, that have banned phone calls while driving – without using a hands-free device – are California, Oregon, Washington, Nevada, West Virginia, New Jersey, Maryland, Delaware, New York and Connecticut.

The Consumer Reports survey questioned 1,049 people ages 16 to 21 and the NHTSA survey from earlier this year questioned 6,000 people of driving age. Both surveys were of U.S. drivers. IJ

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SERVICES

Growing Your Property Casualty Agency

8 Things Independent Agents Can Learn from Sam Walton

By Alan Shulman

Wal-Mart and independent agencies seemingly have little in common. Not so. There are many helpful ideas to cull from Mr. Walton's amazing odyssey from one store to the largest retailer in the world — as revealed in his autobiography, "Sam Walton: Made in America" [Doubleday]. Here are eight of them.

Core belief. Wal-Mart grew because Sam Walton wasn't afraid to innovate, to advance his business beyond what others were doing. He believed in discount retail merchandising when others did not. Agency principals, likewise, need to develop their own core sales strategy (other than discounting) and use it to propel their business forward.

Sell specifics. Sam believed in selecting specific items and promoting them through aggressive merchandising. It was his passion. Agencies can similarly select under-promoted policies and endorsements and direct attention to them via digital and traditional means. Personal umbrellas are an easy example as they appeal to existing insureds and new prospects.

Customer loyalty. Loyalty starts at the top and works its way down. According to Sam, this is "because the way management treats the associates [employees] is exactly how the associates will then treat the customers." Client contact via social media, newsletters and more all encourage loyalty, but the real test is how CSRs and producers treat individuals and businesses when they need actual service. And it all starts with how well you treat your staff.

Humility keeps you thinking like an entrepreneur, which in turn, keeps you in business.

Critique yourself. In the early days of Wal-Mart, store managers met every Saturday morning to critically assess the effectiveness of their efforts. They reviewed purchases and sales, planned promotions, etc., to identify and discuss what was working and what wasn't. These meetings continued as the company grew and were instrumental in that growth. Agency executives can conduct similar meetings to regularly evaluate their marketing efforts, critique individual and overall sales results, select potential targets, and more.

Critique rivals. Sam loved to check out the competition. He visited the locations of endless retailers across the globe. He asked his managers to explore them as well, looking for the good and the bad, and to find ideas they could use. While independent agencies have far more rivals than Wal-Mart, they can scrutinize a reasonable selection. Ask in-house staffers to monitor the websites and social media postings of key local and national competitors (agencies and carriers) to look for approaches to emulate and avoid. Encourage producers and CSRs to score the strengths and weaknesses of the carriers and agencies against which they compete. Furthermore, agency executives can talk shop with chatty principals, producers and CSRs to learn what works for them and what doesn't.

Ego kills. A litany of larger retailers underestimated Sam Walton to their own detriment. He used the information he gained from visiting stores and questioning their staff to help build his chain. In our industry, boastful principals and staffers who egotistically reveal detailed plans and procedures to outside agents unnecessarily risk their agency's future.

Think small. It's great to get excited about growing your agency, but it's injurious if you let success go to your head. Ditto with Wal-Mart. The bigger the retail giant got, the more Sam wanted his people to "think small." Humility keeps you thinking like an entrepreneur, which, keeps you in business. Otherwise, your large volume can distract you from your core belief, impeding your ability to serve current and future buyers.

Look outside. Sam Walton built an enduring empire based on an evolving series of insights derived from instinct and information. He wasn't afraid to try new things and to follow his vision. Insurance sales and retail merchandising share many characteristics. Don't hesitate to learn from sources outside of our industry. There is a wealth of thought-provoking ideas out there if you are willing to look. IJ

Shulman, CPCU, is the publisher of Agency Ideas, a subscription-only sales and marketing newsletter. He is also the author of the many tools posted on the Agency Ideas Instant Download Store. Phone: 800-724-1435. Email: alan@agencyideas.com. Website: www.agencyideas.com.

The Competitive Advantage

How Are Insurance Agencies' Customers Doing?

By Chris Burand

Construction is the No. 1 target market of independent insurance agencies. Before the recession, construction often constituted 20 percent to 40 percent of medium to large agencies' books of business. Independent agency growth then can be tracked, to some extent, on what happens in construction, especially if the results are combined with hard versus soft market conditions.

According to the Bureau of Economic Analysis, commercial construction contracted substantially in 2001 and then began a free fall in 2002. The market did not recover until 2004, and in 2005 it experienced severely inconsistent growth. Then, as if someone had turned a switch, the market saw double digit growth six out of the eight quarters of 2006 and 2007, before wobbling in 2008.

Then the bottom just fell out of the market. Commercial construction was severely negative seven straight quarters. It declined 30 percent from what it was in 2001 by the end of 2010. Last year's results in 2011 were so inconsistent that it is impossible to conclude from the government's data whether commercial construction is trending up or down.

Too many independent agencies violated the old axiom of having too many eggs in one basket.

Residential construction is also quite important to independent insurance agencies. It recovered faster in 2002 and boomed until the fourth quarter of 2005. Then its negative spiral began almost three years before commercial construction tanked. Growth was then negative 14 consecutive quarters, and it was negative 17 of 20 quarters. Growth in 2011 varied hugely from one quarter to the next, and even though three quarters were positive, annual growth was negative. Total annual residential construction activity is now only approximately 56 percent of what it was at year-end 2005.

Using the S&P/Case-Schiller Composite Home Price Index, home prices began materially falling in July 2006 for the first time since prices were first tracked in 1987. In 2007, prices declined as a whole for the first time since World War II. Home prices proceeded to fall substantially, with the rate of decline slowing in the spring of 2009 and likely hitting bottom in March 2011. Prices have risen ever so slightly since. Therefore, new residential construction is unlikely to boom any time soon.

What This Means for Agencies?

This means many medium and large agencies had, and may still have, far too much concentration in the construction industry. With this much contraction, the problem became one of not only losing accounts to other agencies, the bigger problem was clients permanently going out of business. Many agencies lost more business this way than they have ever lost to competitors in a similar time period.

For those clients that remain in business, the exposure decreases were significant. And while the economy may have reached bottom, the problems are not over. With these clients pinching pennies, they are often looking to

continued on page N4

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The Competitive Advantage

Customers Doing , continued from page N2

cut corners on their coverages. They are shopping more and are likely not buying adequate limits or coverages.

Many agencies have become so desperate to hang on, they are reluctant to discuss the need to maintain or even buy more coverage. This problem will only get worse with rising rates.

The result is that errors and omissions (E&O) exposures are building. Not discussing the need to purchase adequate coverage and not getting the insureds to literally sign off on coverage reductions is like throwing fuel on the fire. The agency is doing just as much work for half the commission and creating a greater probability of being sued.

An Opportunity: Diversity

Residential growth and nonresidential growth do not follow the same exact cycle. One market is often doing much better than the other. So if an agency is going to target construction, the agency's revenues are much more likely to be stable if the book is diversified between residential and commercial construction.

An even better diversity play is to move into other areas. For example, personal lines remained much more stable than commercial lines. Benefits continued to grow, although being heavy in group benefits today may result in the same downturn heavy commercial construction agencies experienced the past four years.

Another consideration is outside construction. According to the Bureau of Economic Analysis, in 2010-2011, nonresidential, nonstructural investment was extremely strong. Growth in both years was better than any time in a decade. Similarly, export growth has been a bright spot in our economy for the past two years. In 2010, export growth was double digit and the best this century. Growth in 2011 was strong too.

Farming has been another bright spot, as has oil and gas. These areas require a true level of expertise that should be acquired and developed before entering this space.

The point though, is that too many independent agencies violated the old axiom of having too many eggs in one basket. They focused too hard on construction. Those that diversified have achieved much better results the past four years. (I'm excluding those agencies that have done exceptionally well in farm and oil and gas because they are making the same mistake. It is just that those markets have not tanked yet, but they will. Those two markets especially, always tank.)

The recession and soft market presents many opportunities, including the opportunity to rethink business models. As the economy hopefully rebuilds and insurance rates firm, now is a great opportunity to rethink your business model. IJ

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News & Markets

Staying Positive: Premium Growth Levels Not Seen Since 2006

Property/Casualty Direct Premium Growth – Year-End 2011 Versus Year-End 2010

By Douglas A. Powell

Despite the economic uncertainties, for the year ending Dec. 31, 2011, property/casualty insurance companies in total increased direct premium written (DPW) and overall premium growth to levels not seen since 2006. In fact, the similarities between 2011 and 2006 do not stop at DPW and premium growth.

There were 2,476 individual P/C insurers reporting financial results to the National Associatio of Insurance Commissioners (NAIC) for 2011, as compared to 2,482 in 2006. P/C insurers reported approximately $495 billion in DPW, as well as experiencing more than 3.5 percent premium growth over the previous year, in both 2011 and 2006.

It is worth noting that P/C insurers have never reported total DPW in excess of $500 billion, and P/C insurers are again near that threshold. It is possible that the double-digit premium growth experienced in the hard cycle may have made for unrealistic premium growth expectations.

Considering this further, P/C insurers have experienced average annual premium growth of 2.2 percent since 2002. In five of those years, the DPW growth exceeded reported annual inflation rates and there was not a wide variance between DPW growth and inflation during the other five years in this period. Also, only twice during that period did total DPW decrease year over year.

After reviewing those varying results, it is more realistic that expectations should relate to gradual, stable growth. In all four quarters of 2011, DPW growth increased in comparison to the respective 2010 quarter.

Top 10 Groups by 2011 DPW Growth

Liberty Mutual and Berkshire Hathaway Inc. were the only P/C groups to experience DPW growth in excess of $1 billion. The groups comprising the Top 10 in terms of DPW growth accounted for approximately 41 percent of all year-over-year growth in 2011, while groups outside of the Top 10 accounted for an additional 41 percent. Unaffiliated companies accounted for the remaining 18 percent of the total DPW growth in 2011.

Top 25 Companies by 2011 DPW Growth

For the year ending Dec. 31, 2011, the Top 25 individual P/C insurers increased their direct premium written by 12.6 percent, approximately $9.8 billion. Consequently, the Top 25 accounted for more than 53 percent of the total DPW growth for the P/C insurance industry.

In contrast, the remainder of insurers that comprise the industry reported an increase in DPW growth of approximately 2.2 percent, or $8.8 billion, over last year. In total, direct premium written for the P/C industry grew more than $18 billion or approximately 3.9 percent.

As a whole, P/C insurers

Top 25 Individual Property/Casualty Cos.

Based Upon Dollar Amount of Direct Premium Written (DPW) Growth
For the Years Ending Dec. 31, 2011 Versus Dec. 31, 2010

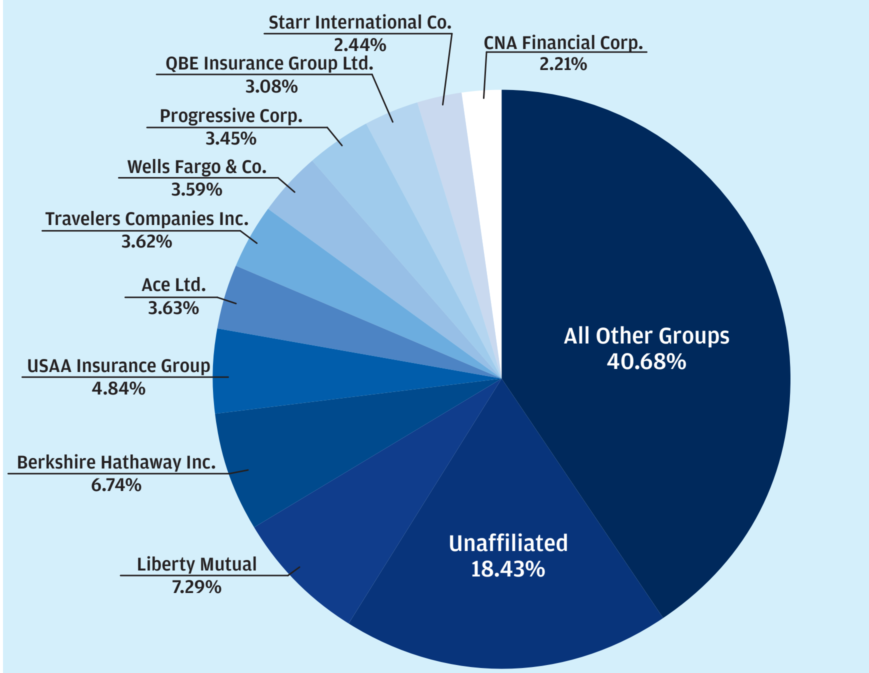
Rank	Company Name	12/31/2011	12/31/2010	Growth	Growth
1	Liberty Mutual Insurance Co.	4,676,494,083	3,942,769,301	733,724,782	18.61%
2	Rural Community Insurance Co.	1,804,302,771	1,139,018,248	665,284,523	58.41%
3	NAU Country Insurance Co.	1,480,383,830	885,876,337	594,507,493	67.11%
4	ACE Property and Casualty Insurance Co.	2,086,469,608	1,542,064,549	544,405,059	35.30%
5	Allstate Fire and Casualty Insurance Co.	4,032,528,791	3,532,520,851	500,007,940	14.15%
6	GEICO General Insurance Co.	6,228,617,033	5,756,363,737	472,253,296	8.20%
7	State Farm Mutual Automobile Insurance Co.	30,389,177,203	29,945,802,559	443,374,644	1.48%
8	AIU Insurance Co.	3,201,824,320	2,785,015,395	416,808,925	14.97%
9	John Deere Insurance Co.	426,420,938	10,460,994	415,959,944	3976.29%
10	Great American Insurance Co.	1,884,227,524	1,473,909,412	410,318,112	27.84%
11	Travelers Home and Marine Insurance Co.	2,750,556,509	2,365,584,815	384,971,694	16.27%
12	Starr Indemnity & Liability Co.	801,449,804	437,846,799	363,603,005	83.04%
13	National Union Fire Insurance Co. of Pittsburgh, PA.	7,395,063,718	7,046,533,911	348,529,807	4.95%
14	Liberty Insurance Corp.	1,698,445,613	1,351,897,721	346,547,892	25.63%
15	Continental Casualty Co.	4,316,474,366	3,978,010,960	338,463,406	8.51%
16	American Agri-Business Insurance Co.	878,040,739	547,450,492	330,590,247	60.39%
17	GEICO Indemnity Co.	4,050,784,581	3,744,242,087	306,542,494	8.19%
18	Commerce and Industry Insurance Co.	1,200,277,769	920,000,698	280,277,071	30.46%
19	Farmers Mutual Hail Insurance Co. of Iowa	712,575,766	452,045,868	260,529,898	57.63%
20	Travelers Property Casualty Co. of America	3,855,640,564	3,611,392,744	244,247,820	6.76%
21	21st Century Centennial Insurance Co.	604,653,015	361,947,016	242,705,999	67.06%
22	Garrison Property and Casualty Insurance Co.	748,677,741	508,675,124	240,002,617	47.18%
23	Producers Agriculture Insurance Co.	662,829,351	428,699,283	234,130,068	54.61%
24	American Alternative Insurance Corp.	937,073,019	703,415,006	233,658,013	33.22%
25	LM General Insurance Co.	241,614,667	9,160,788	232,453,879	2537.49%
	Top 25 by DPW Growth	87,064,603,323	77,480,704,695	9,583,898,628	12.37%
	All Other P/C Companies	407,953,390,953	399,147,041,916	8,806,349,037	2.21%
	Total	495,017,994,276	476,627,746,611	18,390,247,665	3.86%

remain financially stable. In fact, financially stable P/C insurers will continue to weather catastrophe events and honor meritorious claims. This has recently been echoed by Robert Gordon, senior vice president of Property Casualty Insurers Association of America. He has stated, "Despite the most active and deadliest tornado season in more than half a century and a host of other challenges, insurers emerged from 2011 strong, well capitalized, and capable of paying future claims."

Policyholders should be able to take comfort in this while recognizing the importance of the service these companies provide in protecting them from unforeseen events. IJ

Powell is a senior financial analyst with Demotech Inc. and possesses extensive experience in monitoring, reviewing and assessing the financial stability of insurers. Demotech has served P/C insurance companies, title underwriters and specialty insurance markets since 1985. Email: dpowell@demotech.com, or follow him on Twitter @powdoug. Website: www.demotech.com.

Top 10 P/C Groups by 2011 Premium Growth



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THE HEALTH OF WORKERS' COMPENSATION

Injured But Still Standing

By Andrea Ortega-Wells

Like the economy, the workers' compensation market has suffered in recent years. Results for 2011 were no better than 2010. The good news: results for the market were not worse either.

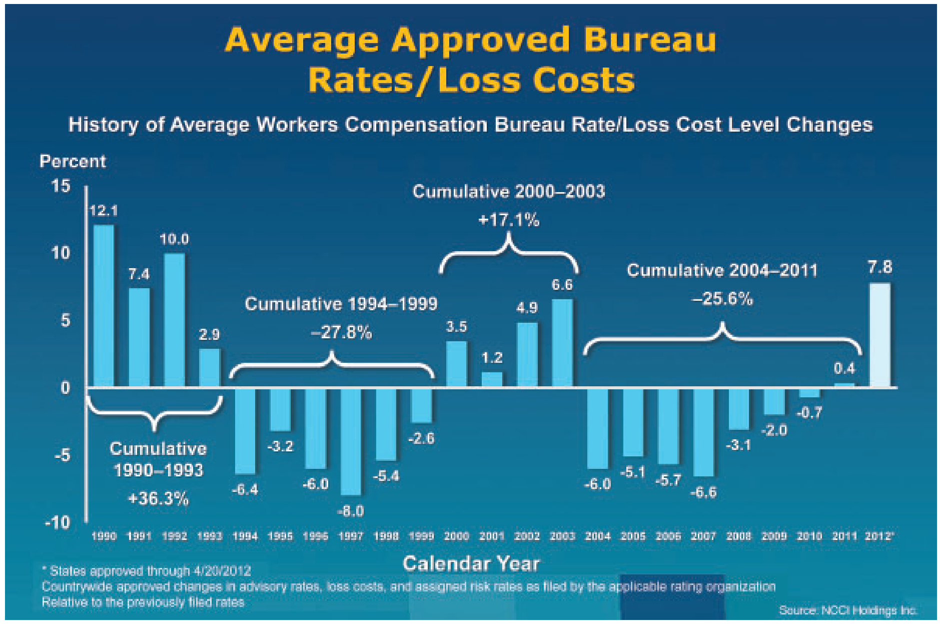
The combined ratio held steady at 115 for the workers' comp line of business, according to the NCCI Holding Inc.'s "State of the Line" report published on May 10. That's the same as in 2010. While stable, the reported combined ratio stands as the highest combined ratio for all major commercial lines for the third straight year.

A number of factors contribute to the line's challenging conditions, the experts say. The weak economy, high unemployment rates, rising claims frequency and unrelenting medical inflation all contribute to the market's health.

Another reason for workers' comp's under-performance is rate inadequacy.

"The rate inadequacy is definitely an issue," says Tom Koval, senior vice president, general counsel and government affairs, for FCCI Insurance Group based in Sarasota, Fla.

As the economy starts to rebound and payrolls jump, premiums will increase, leading to better results. However,



Koval says the workers' comp industry still needs relevant rate increases to come out ahead.

Chris Cunniff, senior vice president and product manager for workers' compensation at Liberty Mutual, agrees rates fell behind, partly due to unexpected circumstances such as a rise in claim frequency in 2010.

"I think the bureau rates put forth by the NCCI and other bureaus did fall behind a little bit," he says. "The NCCI has been filing for bureau rate increases to catch up. We've seen some other increases filed in other non-NCCI states as well."

Cunniff believes other circumstances have contributed much more to the problem of rate inadequacy than bureau rate recommendations.

"If you look at the data, the biggest driver (of rate inadequacy) has been companies filing deviations or discounts below bureau loss cost levels in an attempt to retain or win business," Cunniff says. That is the primary driver of rate inadequacy, he says.

Despite low rates in recent years, payrolls and premiums do appear to be trending up.

In its report, the NCCI found that 2011 premiums for workers' comp were up by $36.3 billion, or 7.4 percent from 2010 levels.

Even with that increase, rates have not kept up with overall workers' comp cost drivers, the experts say.

"Workers compensation, because of its direct connection to employment and the labor markets, has been the property/casualty line most significantly impacted by the continued difficult economic environment," said NCCI Chief Actuary Dennis Mealy. "Combined ratios remain at unsustainably high levels, and investment returns are not sufficiently high to generate operating returns near the cost of capital."

Since 2006, NCCI loss costs have declined but so far in 2012, loss costs have generally increased, with NCCI loss costs up 2.5 percent on average and countrywide bureau loss costs up 7.8 percent.

The increase in 2012 is due to a large increase in bureau loss costs in California, the NCCI stated.

Dave Bellucsi, chief actuary for the Workers' Compensation Insurance Rating Bureau of California, says loss adjustment expenses, which were high to start with in his state, have continued to rise. Some of the factors driving that trend are medical liens, he says.

In the Golden State's workers' compensation system, a lien is a direct claim against the defendant for a benefit which is not otherwise payable to the injured worker. Medical liens — a California phenomenon — are jamming up the administrative system, Bellucsi says. Liens must be resolved by a workers' comp judge, so the overall cost on the system is burdensome even if the lien amount is small.

Other factors behind loss cost increases in NCCI states — 38 states in total — include longer claim durations and upward pressure on claim frequency.

Bellucsi says claim frequency has also been an issue for California.

"For the last 40 years, with the occasional exception, frequency declined," he said. "In 2010, that reversed. We saw a healthy spike of close to a 10 percent increase in 2010. In 2011, it didn't get any worse, but it didn't get any better."

The spike in claim frequency in California stems from a sharp rise in cumulative injury claims, according to Bellusci. "Those are claims that occur over a longer period. They're not tied to a specific event." Most end up in litigation as well, he says.

The rising cost of medical care is not helping worker's comp results either, Koval says.

"We don't expect that medical inflation is going to stop so rate adequacy becomes that much more important," Koval says.

In California, medical inflation grew significantly over the last five years, Bellusci says, but that growth has slowed. "Over the last year or two there has been signs of medical inflation moderation."

At least in Texas, a non-subscription workers' comp state, the market looks better, thanks to the state's economy.

"I do know that there is some concern about the market, nationally, probably linked to the recession," says Terry Frakes, senior vice president of public affairs for Texas Mutual Insurance Co. "But in Texas, the market is very good by almost any indicator that we use."

Frakes said 2012 is outpacing last year in premium growth as of the end of April. The number of policies written, the number of submissions received, and the carrier's retention levels are all up. Even workers' comp audits are positive, he says.

"Back in '09 and '10, we were giving money back at the end of the policy period, significant amounts because payroll was declining," Frakes says. "Beginning last year, and the end of the first quarter this year, it's going the other way. We are taking in more money than we are giving back. All of those indicators tell us that the economy is very good in Texas."

Cycles

The cyclical nature of the workers' comp pricing environment is no different than that of the overall property/casualty market, says Peter Burton, senior division executive, state relations for NCCI.

"It's not uncommon that worker's comp has cycles," Burton says. "Particularly, we see cycles that are generated when there's a need for major reform in the workers' compensation system and states engage in deliberations over reforms. In many cases, reforms and legislative changes are put in place, mainly due to such things as rising costs."

Reform is always a possibility as states

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Workers' Compensation

Health of Workers' Compensation, continued from page N9

attempt to improve the efficiency of the worker's comp system, Burton says. Reforms tend to work well for a number of years then costs go up, again, he says.

"Over time, some of the reforms erode and system costs tend to escalate again, which then provokes another series of legislative changes. It's not dissimilar from other cycles you'll see in the property insurance business."

One of the biggest cost drivers nationwide is the cost of medical care, Burton says.

"You have the whole issue of frequency of injuries, workers getting injured more commonly than they were before. That happens. Then you have medical cost pressures that we all know in our health insurance coverage, but they're also affecting workers' comp."

Aside from those cost pressures, workers' comp reform can also drive cost, he says. "Legislatures pass new laws that expand the compensability of coverage for injury; that makes the system more costly," Burton said.

Reforms influence the underlying cost of each state's worker's comp system. "Each state is kind of a unique ecosystem because all state laws are different and each state has to be looked at in its own context," Burton says.

In the end, it's the cost drivers in the states that adversely affect the cost structure, Burton says.

NCCI and other rating bureaus set the baseline, or the loss cost projections. "Then, companies in most states now have this latitude of their own expense considerations on top of our loss cost, their own contingency factor." In addition, carriers use other tools in the rating process that may drive prices below loss costs based on the carrier's underwriting appetites, experience and pressures.

However, Burton says when the NCCI sets rates it doesn't examine all the competitive tools carriers use. "We bring everything back to our normalized level, our loss cost level. We set the rates from that standpoint."

Burton says while NCCI and other independent workers' comp bureaus set the rate/loss cost levels for states, the pricing tools are not adversely affecting the rate.

"Now, I'm not going to say that the tools that are being used, and being overly competitive in the marketplace, may not have an impact on performance results," he says. "But it wouldn't be causing inaccurate setting of loss cost. That's something we do, and we do it very well. We are audited by the NAIC and audited by individual actuarial firms. Most of our plans are approved as proposed."

Liberty Mutual's Cunniff says like the overall P/C market, the problem with rate inadequacy in workers' comp cycle is a "self-inflicted" problem.

"If you look at the historical data, you see that the workers' compensation results do follow a cycle. Primarily the cycle has been brought about by price inadequacy. Private carriers have, over several years, lowered prices at such a level that they're not sustainable in the market. It's very unprofitable," Cunniff said. "It's mostly a self-inflicted cycle where carriers cut premiums to a level that's not adequate."

The cycle is mostly a self-inflicted cycle where carriers cut premiums to a level that's not adequate.

Results

Despite the challenging conditions in workers' comp today, including inadequate pricing to support cost drivers, the line overall remains strong; injured but standing.

In terms of premium (including state funds), net written premium increased to $36.3 billion in 2011. This 7.4 percent increase in premium is the first increase since 2005, and a shift following the cumulative 27 percent decline in premium from 2006-2010.

In its annual "State of the Line" report, NCCI President and CEO Steve Klingel said: "In some ways, we are seeing an improved condition from 2010."

By other measures, however, the market remains in a worrisome state, Klingel said. "In sum, we see a market that is conflicted as to its forward trajectory, and that makes for a challenging environment."

Other market indicators/trends highlighted in the NCCI report include:

- NCCI estimates that the combined ratio for private carriers for Accident Year 2011 is 114 — down 2 points from 116 in 2010.
- The private carrier reserve position continued its modest deterioration in 2011 — for the fourth consecutive year. NCCI's estimate of the reserve position for the private carriers as of year-end 2011 is an $11 billion deficiency.
- Lost-time claim frequency improved in 2011. After increasing 3 percent in 2010, claim frequency in 2011 declined 1 percent on average in NCCI states.
- In 2010, the average indemnity cost per lost-time claim decreased by 2.8 percent. In 2011, the average change was still a very modest increase of 2 percent.
- The average medical cost per lost-time claim showed similarly favorable results. In 2010, the average cost per claim was just 1.3 percent, while in 2011 the increase was 4.0 percent. These are the lowest increases in average claim costs since the early 1990s.
- Although investment yields remain low, investment gains for the workers' compensation insurance industry remained strong in 2011. Investment gains as a ratio to premium held at 14 percent of premium, higher than the average return of 11.6 percent that the industry earned from 2001–2010.
- Although the investment gain has improved, combining the underwriting loss with the large investment gains, the result is a pretax operating loss of 1 percent for the industry in 2011. This is the third consecutive year of near-zero operating gains.
- The combined ratio of the residual market pools also increased slightly, from 120 in 2010 to 121 in 2011. At this time, the pools are quite small, so individual losses and states can have a disproportionate impact on the combined ratio.
- Residual market premiums grew by 13 percent in 2011 to approximately $509 million. Overall, the market share of the residual market pools serviced by NCCI for 2011 increased from 4.6 percent to 5 percent.

Liberty Mutual's Cunniff says to return the line to a better state will take several years of increases in rates.

"Given expected loss cost trends, we would need several years of rates going up to return workers' compensation to a profitable combined ratio." IJ

E&O Insights: Why Workers' Compensation Leads in E&O Claims

Every year, errors and omissions (E&O) claims arising out of the placement of workers' compensation account for approximately 10 percent of all claims. Many of those workers' comp claims are well in excess of $100,000. Details of those claims show that there are several areas where "errors" can occur.

While the following list may not be all inclusive, it covers the majority of claims:

- Questions involving coverage for sole proprietors, partnerships or single-member LLCs;
- Dealing with a broker to place coverage for that "tough" risk;
- Dealing with the state workers' comp market to place coverage;
- Ensuring employees in all states are covered;
- Placing clients in a trust/alternative program; and
- U.S. Longshoreman and Harbor coverage.

Sole Proprietors

Does the sole proprietor of a business want coverage? There is no uniformity in how different states handle this. In many states, coverage for the sole proprietor/partner is excluded; they can "opt in" if they elect coverage. In other states, they are covered but can opt out. Bottom line, it is critical to know how your state handles this issue.

In addition, explain the issue to your client and let him or her make the decision. Unfortunately, it is often not until there is an on-the-job accident with an injury that the client discovers they were not covered.

As evidenced by the following claim example, which occurs with some frequency, agents must avoid making the decision for the client.

The loss surrounds whether the agent was told by a client who owned a pizza shop that the shop's owner wanted workers' comp coverage for himself. The agent initially said the client did not want to insure himself. The client was robbed, shot and killed during the robbery. The widow made a workers' comp claim, which was denied, because coverage for the owner was not requested. It was later determined that the agent, not the client, signed the application. This "making the decision for the client" was a major factor in the E&O carrier settling the claim.

For accounts that fall into this corporate structure, do the owners know if they are covered, or worse yet, do they strongly believe they are covered when they might not be? Do they understand how the policy addresses coverage for themselves? This must be resolved before the policy goes into effect, so be sensitive to timing issues, and ensure the necessary paperwork or specific forms are completed within the proper time frame.

> **Placing workers' compensation isn't that difficult — doing it right is the hard part.**

This issue would make for a great discussion/education session at an upcoming staff meeting. After all, it's difficult to educate your clients on this — or any — matter if there is potential confusion among the agency staff.

Plus, when completing a certificate of insurance, show evidence of the workers' comp coverage. The certificate form includes a question under the workers' comp section that must be answered "yes" or "no" — "Any proprietor or partners or executive officer or member excluded?" How this is addressed on the certificate could come into play if a problem develops.

This is definitely a "hotspot" in workers' comp. Take the initiative to ensure the agency staff and your customers are knowledgeable about this issue.

Multiple States

The next big issue involves coverage for employees in all of the states where your client is doing business (excluding monopolistic states). A great way to keep this issue from becoming an E&O headache is by bringing along the workers' comp application when you meet with the account — to secure the information to provide a proposal or issue a policy, and so specific risk questions can be asked and documented. Obviously, answers to these questions could determine the risk's acceptability and what endorsements are provided.

What if there is a chance the client will have an employee temporarily working in another state? While the policy may provide coverage, it's possible the benefits of that other state will be greater than the home state, with the employer forced to pay the difference. If the client is looking

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Workers' Compensation

E&O Insights, continued from page N11

to set up a permanent new location, absent the policy reflecting that additional state, there would be no coverage.

A highly recommended approach is adding the "Other States" endorsement to the policy to ensure injuries to employees in the other states will be fully covered. Alleged failure to provide the proper coverage has been a significant workers' compensation issue, resulting in many E&O claims.

If you have issued the policy with specific states listed and no "Other States" coverage, secure an update each year with your client concerning what their plans will be for the next policy term. There have been many E&O claims where the client did not understand the rules and opened a permanent location in another state, only to have an employee injured — and then discover there was no workers' comp coverage in effect.

In New York, it is mandatory to list New York if the insured has any New York exposure — even if it's incidental. In fact, New York has levied fines against employers if there is an exposure in New York but the state is not listed.

Thus, keep up — and comply — with the various state regulations!

Longshoreman and Harbor Coverage

Do you have a client that is subject to the U.S. Longshore and Harbor Workers' Compensation Act? This act, administered by the U.S. Department of Labor, provides medical benefits, compensation for lost wages and rehabilitation services to longshoremen, harbor workers and other maritime workers injured during the course of employment, or who suffer from diseases caused or worsened by employment conditions. Placing this coverage may not be easy, and extra caution should be exercised.

Trusts/Alternative Programs

If you are looking to use a trust to place one or more of your workers' comp customers, it is important to understand these trusts, how they operate and, certainly, their financial condition. In New York, a number of these have declared insolvency in the past few years. Without a guaranty fund to provide protection, a high degree of due diligence should be exercised. This lack of a guaranty fund should also be clearly communicated in writing to your customers.

Placing workers' compensation isn't that difficult — doing it right is. When placing this coverage, pay attention to detail. Working with the application and documenting the responses from the prospect should make your job much easier. IJ

Pearsall, CPCU, ARM, is president of Pearsall Associates Inc., a risk management consulting firm helping agents protect themselves. He is also a special consultant to the Utica National Agents E&O program. Phone: 315-768- 1534. Email: curtis@pearsallassociates.com.

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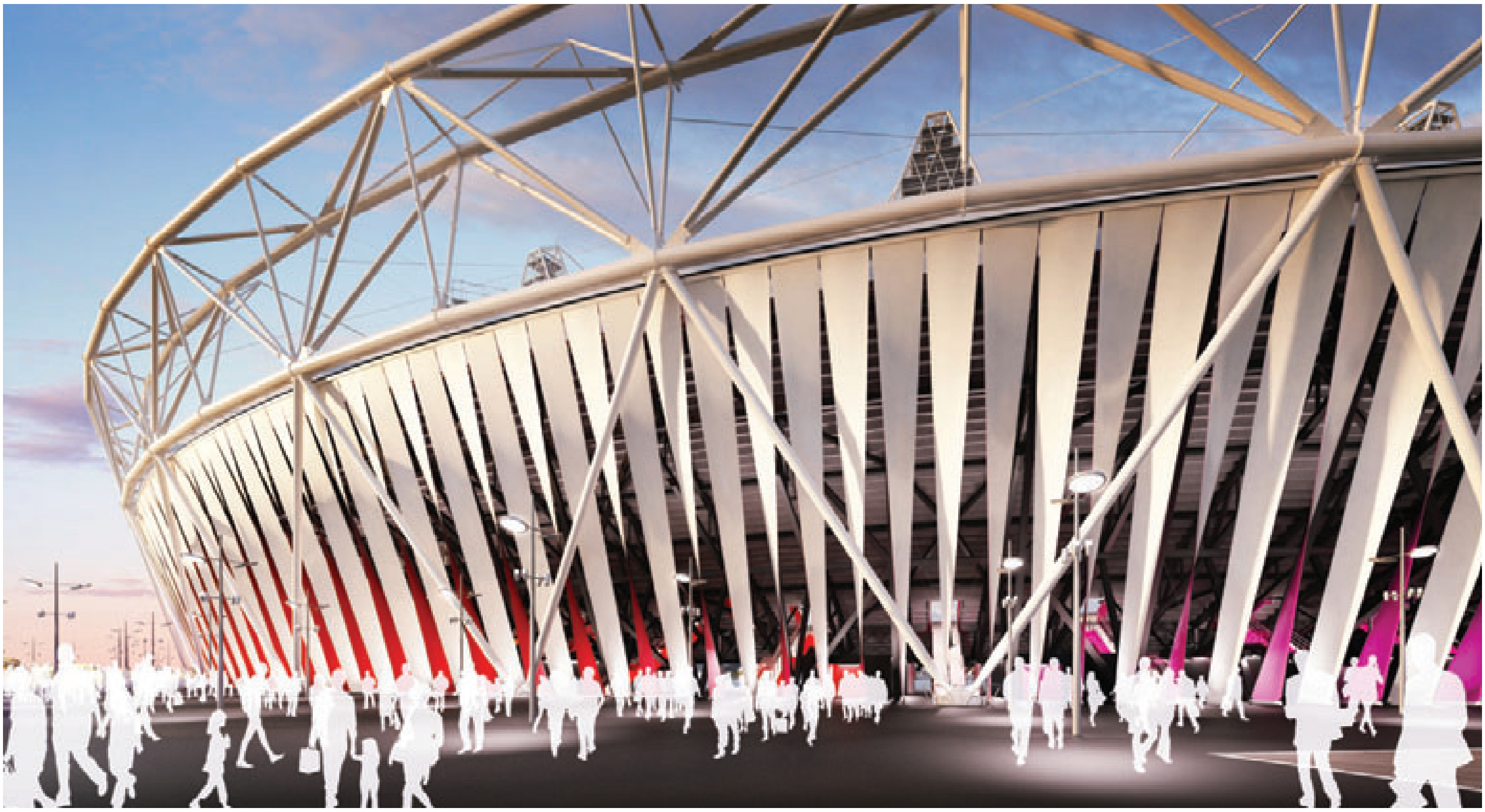

Let the Games Begin

Insurance Coverage for the 2012 Olympic Games Is a Herculean Task

By Charles E. Boyle

Before the 2012 Olympic Games open in London on July 27, the city will already have experienced an unprecedented round of preparations, notably the construction of stadiums, site venues and housing that is in the process of transforming large parts of London's long neglected east end.

The official games motto, "Inspire a Generation," was unveiled on April 18 in a rainy ceremony at Kew Gardens, presided over by committee chairman and former Olympic Champion Sebastian Coe.

London's insurance community, however, has not been standing on ceremony. Brokers and insurers have been involved in the games since they were awarded to London in 2005. The risks in hosting a competition that goes on for three weeks, attracts thousands of athletes and visitors, and is watched by millions more around the world, are endless.

An overall description of the insurance coverage required is possible, but it doesn't include many individual details, as the brokers — Marsh is the lead broker — and the insurers don't, or won't, provide specific information. In most instances, they are acting on their clients requests not to do so. They also have agreed to "gagging orders," at the request of the Olympic Organizing Committee, pledging their confidentiality on coverage for the Olympics.

This isn't as contrary as it seems, as the type of coverage involved, the scope of the risks and other details are not usually disclosed for policies covering any type of major event. "The information we receive from our clients is highly confidential," said Hiscox event underwriter Elizabeth Seeger.

She explained that although the Olympics are the biggest global sporting event, along with the Football (Soccer) World Cup, they are handled in the same manner as other high profile public events.

"Clients require confidentiality for a number of reasons," Seeger said. These can include a reluctance to make public the amounts involved in becoming a sponsor for such an event, as well as the details of their insurance coverage, which, she stressed, is an absolute requirement.

Publicizing an insurance policy could lead to opportunist claims from third parties. While some may be legitimate, many are filed simply for nuisance value to obtain money.

"It is important for all involved that we keep that door firmly closed, as making this type of information public will not assist in the running of the event nor be of benefit to those involved," Seeger said.

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Recreation & Leisure

Games Begin, continued from page N13

The Coverage

While the carriers and brokers may treat coverage of Olympic events more or less as they would other sporting contests, there are differences. An event that goes on for nearly three weeks in more than 60 different sites, involving thousands of athletes and spectators, does pose special problems. The types of coverage required, however, do fall into familiar categories, and the London market is well-prepared to deal with them.

Coverage comprises three main categories: liability, event cancellation and property damage. Each sector covers particular risks, and in some cases they will overlap.

Liability is pretty straightforward. Moving and accommodating all of the athletes and spectators, as well as the officials and other personnel involved in managing the games, is a huge challenge. London's Olympic budget is a whopping £9.3 billion (more than $15 billion). There will be injuries and perhaps even fatalities, as well as many non-personal injury claims.

Event cancellation coverage is more complicated. "Anyone involved with the games would have obtained (this type of) coverage years ago," Seeger said. "The earlier the better," as the terms are broader and less restrictive (in the early stages). Conversely, as the games approach, there are likely to be further conditions and endorsements.

"Risk management is the key to the success of any event; that is why, when we talk to potential clients, we would advise them on how crucial a robust contingency plan can be," Seeger said. "Planning for the worst can go a long way in helping event organizers secure the type of insurance coverage they need, and insurers should be able to guide them on creating an appropriate plan."

Event cancellation can cover the costs incurred when a planned event is actually cancelled, which is relatively rare, as they are usually rescheduled. But the costs of rescheduling, including such items as new programs, tickets, rental costs, crowd control, etc., are nonetheless expensive and are covered by policies. "As a result we always encourage our clients to have a contingency plan in place," Seeger said.

Property damage polices cover the buildings, the outdoor sites, the equipment and the transport vehicles used to stage events. They are at risk from both fire and construction defects, as well as theft and vandalism.

London's insurance market has been called on to provide all of the coverage that is needed, and fortunately it is uniquely qualified to do so. Seeger explained that the insurers who underwrite the policies generally employ Lloyd's type of subscription provisions to spread the risk.

In simple terms, companies agree in advance on the risks, amounts and terms they will accept on any given risk. The lead underwriter, who originally accepts the risk, then keeps part of it and parcels out the remainder to other subscribers. Although it's a more complex process than that, it's served Lloyd's well for more than 300 years, and Seeger is sure it will serve equally well to spread the risks of Olympic Games coverage.

The United Kingdom also has its own reinsurance program, Pool Re, the government-backed reinsurer that covers terrorist attack-related commercial property losses. It has £4.5 billion [more than $7.3 billion] in assets to cover the Olympic Games. It was established in 1993 after a wave of Irish Republican Army bombings in the city of London, the financial district, were threatening to make commercial property uninsurable, thereby stifling investment in the sector.

In an interview with *Reuters* Pool Re's Chief Executive, Steve Atkins, said his team had closely scrutinized its customers' [the primary insurers] exposure to the Olympic

Games to prepare itself for a potential attack during the event. "We wouldn't normally have interaction with every insurer on every program," he said. "But with things like the Olympics, we tend to have done that so that if there were anything, we're already informed about what the insurance arrangements are."

While Pool Re only covers commercial property, global reinsurers can be expected to accept a portion of the risks primary carriers have accepted for liability and event cancellation and other property losses.

The Potential Threats

The perils that these policies cover run the gamut from slip and falls to terrorist attacks. Seeger described terrorism as "very high risk," as the games are a potential target for every disaffected group or individual on the planet. One only has to remember the murderous attack on the Israeli Olympic team in Munich in 1972 to realize how great a threat a terrorist act could be.

"Such an act would probably trigger all of the policies involved," Seeger said.

The terrorist threat is being taken very seriously. The British government currently believes the risk is "substantial," which is two notches down from the highest "critical" level in its five-tier threat assessment system. Memories of the July 7, 2005, bombings on the Underground and a bus that killed 52 people, and injured more than 770 are still fresh in London.

Preparations to deal with those types of threats are going ahead as well. From May 2 to 10, police and armed forces carried out a series of exercises for planned responses to any threats. The exercises weren't close order drills either.

News reports confirmed the deployment of two Royal Navy warships — one at Weymouth to protect the sailing events, and one at Greenwich on the Thames, along with Lynx helicopters. Squadrons of RAF Typhoon fighter jets, Puma helicopters — carrying sniper teams — will be on-hand. Airborne early warning helicopters and other fighter planes also will be on station. All in all, 13,500 military personnel will be involved in protecting the games.

The U.K. government is also seriously contemplating the placement of Rapier surface-to-air missiles on several buildings in east London, which has provoked the ire of local residents. These actions are more than contingency planning; the government is putting London on a war footing during the Olympics.

Terrorism exposures are high risk for the Olympic Games.

Seeger also pointed out that in addition to planned or organized attacks, there's the possibility of civil unrest, such as the riots that occurred in London and other U.K. cities last summer. A number of activist groups have indicated that they plan to stage protest marches and demonstrations at various game sites, which could bring insurance coverage into play.

"Our other major concern," Seeger said, "is the possibility of an outbreak of disease, which could be spread rapidly with all of the air travel." She cited the SARS outbreak as an example of the type of sickness that could interfere with the Olympics. As the games will bring together large numbers of people in closely packed conditions, they would provide an ideal incubator for the spread of any infectious disease.

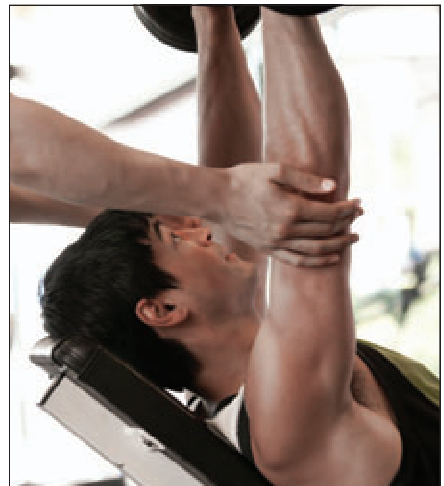
Another concern is the likely boycott of the products of some companies who are Olympic Games sponsors by groups who object to such products or the procedures employed in their manufacture. There are also potential disputes over all of the broadcasting rights to the games that have been taken up around the world.

The latest nasty kid on the block — cyber terrorism — is also a potential threat. "All they would have to do is hack into the system to create a real problem," Seeger said. There have already been several computer glitches involving tickets, although no one has ascribed them to hackers. But, if someone put a malign virus into one of the systems controlling the games, it could disrupt ticket controls and timing mechanisms. A virus also could scramble global communications, including TV and Internet feeds, as well as cell phones and related devices.

Finally there are the "black swans" — events or circumstances that even the best of preparations and contingency planning may have overlooked or discounted, or those that defy advance planning. They include another volcanic eruption in Iceland, a war in the Middle East, solar storms that disrupt communications and electricity grids, a wayward hurricane that goes across the Atlantic, a major scandal, or even a random meteor strike.

An extreme weather event is probably the most likely, either a heat wave or continuous rain. Southeastern England has recently been experiencing a severe drought, accompanied by water use restrictions; however, it has been the rainiest month of April in more than 100 years — drought or flood — take your pick.

All in all, insuring the Olympics is an Herculean task, but the London market is probably better able to deal with all of the risks and potential problems, than anyone else. They have already gone a long way in doing so. IJ



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Restaurants & Bars

When Alcohol-Related Injury Allegations Strike

Understanding Premises Liability and Dram Shop Liability Triggers

By Denise Johnson

Claims involving allegations of alcohol intoxication require careful analysis when determining what policy or policies may apply.

John P. Cunningham and Julia B. Jackson say two common theories centered on alcohol-related allegations that come into play include premises liability and dram shop liability. Both Cunningham and Jackson were presenters on this subject at the recent Property Loss Research Bureau's national conference in Orlando, Fla.,

Alcohol-Related Premises Liability

Generally, these negligence claims arise from injuries that are caused by intoxicated persons on the landowners' premises, according to Cunningham, who is vice chairman of the St. Louis-based Brown & James Liability Insurance Litigation Department.

The theory of liability usually raised against a tavern owner is the failure to protect the injured party from the danger posed by the intoxicated person, Cunningham said.

Premises liability typically falls under a tavern's commercial general liability (CGL) insurance coverage, he said. Examples of alcohol-related premises liability claims are injuries resulting from bar fights and falls.

"What we most often see are bar fights," Cunningham said. He noted foreseeability is not always clear-cut.

"When the bar knows that a particular individual has a reputation for violence, then [it is] exposing [its] customers to perhaps what would be an unreasonable exposure to harm," he said.

A tavern or bar with a history of violence will likely have evidence of such. Plaintiff attorneys will obtain police records to use as supporting evidence, Cunningham said.

Even so, showing the attack is reasonably foreseeable alone is not sufficient to give rise to liability on the part of a tavern owner for an injury from a bar fight, he said.

Dram shop claims usually involve drinking and driving accidents.

The plaintiff also needs to prove that the tavern owner failed to take reasonable steps to prevent the foreseeable injury.

An issue can arise when the bar provides extra safety measures, like adding security cameras or having security guards on hand.

"The tavern voluntarily assumes a duty of what otherwise might not be a duty," Cunningham said.

Cunningham said that reasonable foreseeability is the determining factor in whether a case should be defended or targeted for settlement.

Dram Shop Liability

Dram shop liability claims generally stem from allegations of bars over-serving alcohol.

Cunningham described the most common dram shop claims as "serving or over-serving a customer who causes an injury on or off premises to a third party."

The plaintiff is typically a party who is injured by the insured's customer, he said.

Dram shop laws are usually based on state statutory provisions, Cunningham said. Some 43 states have some form of dram shop law in place. The laws are meant to be a deterrent to the over-serving or illegal sale of alcohol by tavern owners, said Jackson, chief litigation officer at Illinois Casualty Co.

The states that don't recognize dram shop liability include Delaware, Kansas, Louisiana, Maryland, Nebraska, Nevada, South Dakota and Virginia.

Dram shop claims usually involve drinking and driving accidents, or intoxicated individuals who end up hurting others and sometimes even themselves, she said.

According to Jackson, there are some common misconceptions relating to dram shop liability:

One is that an intoxicated individual may recover damages. In reality, only 10 states allow an intoxicated person to recover damages he or she sustained as a result of an alcohol-related injury. Jackson explained that the point of the dram shop law is to cover others injured by an intoxicated person.

Another misconception is that criminal liability for furnishing alcohol can be equated to civil liability. Jackson explained that a majority of states have different standards for what constitutes an illegal sale of alcohol and what constitutes a sale that could give rise to dram shop liability.

In analyzing dram shop liability, Jackson suggested asking the following questions:

1) Who did the drinking?

2) Who is in line for the money?

3) Is a third party claim or counterclaim possible?

According to Jackson, while 43 states have a dram shop law in place, there are variances among the laws based on:

1) Type of sale. For instance, whether the sale was to a visibly intoxicated person, knowingly serving a habitual drunken person, has knowledge of the fact that an intoxicated party will soon be driving or selling alcohol to a minor.

In the majority of states, both package liquor and by the drink vendors can be held liable. In Missouri and Florida, package liquor vendors are immune from suit.

2) Proof requirements. By preponderance of the evidence, clear and convincing evidence is required in Missouri and Oregon, or proof beyond a reasonable doubt is needed in Tennessee.

4) Damage caps. The following states apply damage caps to dram shop actions: Colorado, Connecticut, Illinois, Maine, Montana, New Mexico, North Carolina and Utah.

Both presenters emphasized that just because alcohol is mentioned within the complaint doesn't mean that liquor liability coverage is triggered. In addition, the assault and battery exclusion may apply if a claim involves a fight.

Cunningham and Jackson said it's important to be familiar with the applicable state's social host liability law, if allegations arise from a house party. In those cases, coverage may be available under homeowners' policies. IJ

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Market Detail: Innovative Insurance Solutions Inc. (IISI) (www.iisi-usa.com) has a program specifically designed for couriers/package delivery and others in the expedited local delivery industry. IISI is the exclusive program manager, with the authority to quote, bind and service the policies in-house. Available coverages include: auto liability, auto physical damage, cargo and general liability.
Available limits: As needed
Carrier: Unable to disclose, admitted and non-admitted available
States: Ala., Ariz., Calif., Colo., Ga., Idaho, Iowa, La., Minn., Miss., Mo., Mt., N.D., Neb., Nev., N.M., Okla., Ore., Pa., S.C., S.D., Utah, Tenn, Texas, Wash., Wis., and Wyo.
Contact: Crystal Buscay at 775-782-6663 or email: crystal@iisi-usa.com

Energy PAC - Admitted Program

Market Detail: Citadel Insurance Services (www.citadelus.com) targets the on-shore energy industry and its related operations, including "pure" incidental maritime employer's liability. The target market can be categorized into the following five target classes of business: contracting; consulting; manufacturing; transportation of associated product and waste; and small utilities providing local energy supply. Available coverage lines include: general liability, products, pollution, site pollution, contractor pollution liability, professional liability, follow form, and excess.
Available limits: Maximum $25 million
Carrier: Unable to disclose, admitted
States: All states
Contact: David Johnson at 877-247-4468 or email: djohnson@citadelus.com

Event Cancellation

Market Detail: Entertainment Pro Insurance (www.entproins.com) is an insurance specialty agency that writes coverage nationwide for the motion picture, television, music, theatrical and broadcasting industries, along with many special events. See website for online applications and application downloads.
Available limits: As needed
Carrier: Unable to disclose
States: All states
Contact: Customer service at 702-639-3997

Workers' Compensation Plans

Market Detail: GCG Risk Management (www.gcgriskmanagement.com) provides New York business owners with workers' compensation programs designed to make handling claims as easy as possible. Program features include: guaranteed cost, safety group, loss sensitive, self-insure and statutory disability.
Available limits: As needed
Carrier: Unable disclose
States: N.Y. and N.J.
Contact: Customer Service at 800-922-2362

Concerts

Market Detail: Global Weather Insurance Agency Inc. (www.globalweatherinsurance.com) offers weather insurance that protects any financial loss incurred because of specific weather perils. Cost varies by time of year and location. The minimum premium is $500 and coverage is tailor-made for each event or business. All limits are an agreed amount. This means that whatever amount you insure is what you get. There are no co-insurance penalties and no proof of loss is required. The only trigger for payment is the agreed peril occurring during the agreed time period.
Available limits: As needed
Carrier: Unable to disclose
States: All states
Contact: Customer service at 516-466-3138

Concrete Pumpers Program

Market Detail: J.C. Stevens' (www.jcstevensinc.com) concrete pumpers program is designed for the smaller concrete pumpers with $1.5 million and under in receipts. Changed ISO to include concrete boom pumps as mobile equipment on general liability (if accepted by state). Also available are blanket AI, waivers, per project and primary wording. Master in-house inland marine program with an admitted carrier with a minimum premium of $150; general liability minimum premium is $875 with a non-admitted carrier.
Available limits: Minimum $1 million, maximum $5 million
Carrier: Tudor
States: All states
Contact: Megan Rose at 215-368-2900 or email: meganrose@jcstevensins.com IJ

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News & Markets

U.S. Treasury Could See $15 Billion Profit from AIG Bailout: GAO

U.S. taxpayers could see a profit from the 2008 bailout of American International Group Inc. (AIG), according to a Congressional report.

"When all the assistance is considered, the amount the federal government ultimately takes in could exceed the total support extended to AIG by more than $15.1 billion," the U.S. Government Accountability Office (GAO) said in its report.

GAO said that since its last report in July 2011, more of the assistance provided by the Treasury department and the Federal Reserve System to benefit AIG has been repaid. As of March 22, 2012, the remaining assistance to AIG was $46.3 billion, including unpaid dividends and accrued interest. This amount includes Treasury's $35.9 billion investment in AIG common stock and a balance of $8.3 billion owed by Maiden Lane III to the Federal Reserve Bank of New York (FRBNY).

This remaining assistance was down from $92.5 billion in March 2011 and $154.7 billion in December 2010. As of March 2012, the government's remaining outstanding assistance to AIG has continued to be reduced, mostly because of repayments on the FRBNY loan to Maiden Lane II; repayment of AIA Aurora, LLC, a special purpose vehicle; and sales of Treasury's common stock in AIG.

The government's outstanding assistance to AIG is largely composed of Treasury's common stock in AIG. Treasury sold AIG stock in May 2011 and March 2012, which yielded $11.8 billion and reduced Treasury's ownership to 70 percent of the company. Treasury's stake in AIG was reduced to 61 percent with another $5.8 billion sale of stock this month.

The remaining assistance through Maiden Lane III will likely be repaid in full and net additional returns to the government, according to GAO. The federal government could ultimately take in $15.1 billion more than the total support extended to AIG, GAO said. The watchdog agency said its analysis is primarily based on repayments and recoveries and market valuation of AIG's stock and does not include estimates of subsidy costs associated with the assistance.

'The sustainability of any positive trends in AIG's operations will depend on how well it manages its business.'

GAO said the actual repayment of the remaining assistance continues to depend on AIG's long-term health, the timing of Treasury's sale and the share price of AIG stock, among other things.

AIG had a net income for 2011 of $18.5 billion, primarily attributable to an income tax benefit and divested businesses. AIG's operating cash flows declined in 2011, which was mostly due to cash payments covering several years of accrued interest and fees on the FRBNY revolving credit facility and reduction in cash flows from the absence of a full year of operating cash flows of foreign life subsidiaries that were sold during the year.

Also, payments on catastrophic loss claims and asbestos liabilities reduced operating cash flows.

AIG was profitable in most quarters with investment income contributing considerably to its profitability, including in several quarters when insurance underwriting itself lost money.

"The sustainability of any positive trends in AIG's operations will depend on how well it manages its business in the current economic environment," GAO said.

After AIG posted results for the fourth quarter of last year that included a $1.3 billion profit on insurance operations, CEO Robert Benmosche was upbeat.

"To us, the fourth quarter is a clear demonstration that this company has not only survived, it's got its strength, it's got its key people, and we are moving in the right direction," he said.

AIG Chief Financial Officer David Herzog said that the fourth quarter results "signifies our view that we have returned to sustainable profitability." IJ

News & Markets

Survey: Agencies Seek Carrier Help to Expand Into New Niches

The challenges of today's economy appear to be driving some independent agents into new niche insurance markets and product lines.

Almost 60 percent of independent agents say they have begun to or plan to expand into new business lines, according to a new survey by Channel Harvest Research that explores agents' attitudes about insurance carriers.

In addition to exploring agency motives and challenges for doing so, the study also explored what carriers can do to help their agents succeed by enabling that expansion.

The survey of independent agents on their attitudes regarding carriers — on a wide range of issues — was sponsored by *Insurance Journal*.

Four-in-10 agents report having already taken on at least one new line or niche in the past three years, with another 18 percent planning to do so in the next three years.

Another one-in-four agents also expressed interest in expanding, but said they are not sure and are waiting for a variety of reasons.

Given the challenges reported by agents who have expanded into new lines, this relatively high number of agents waiting to expand is not surprising, said survey director Steve Craig.

"Insurance carriers clearly have an opportunity to increase revenues by helping agents expand their business," Craig said.

While some agents have been invited by carriers to expand into new lines, this appears to be the exception rather than the rule. Many agents expressed strong desires for the carriers they work with most to offer a wider range of products.

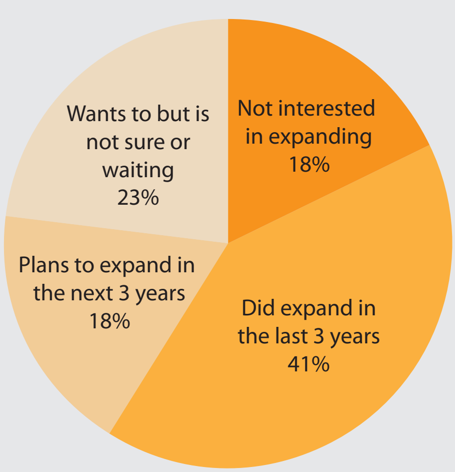
Most agents already have — or plan to — expand into new commercial lines, such as workers' compensation or the rapidly growing field of cyber liability. The research report covers the specific new lines and niches of interest to agents.

'Insurance carriers clearly have an opportunity to increase revenues by helping agents expand their business.'

The research also delved into ways carriers can help these transitions succeed. "Offering additional lines is simply the first step," Craig said. "Carriers that want to grow these lines need to address a series of structural issues facing agents. Agents don't want to be treated like the carrier has never heard of their firm before."

The survey report covers many more specific challenges mentioned by agents that have already shifted into new markets and the concerns raised by those considering it. The survey also addresses "Why Agents and Customers Choose Higher-Priced Insurers" (http://www.insurancejournal.com/news/national/2012/04/12/243111.htm).

Plans to Expand into New Niches & Product Lines



About the Survey

The "2012 Survey of Agent-Carrier Relationships," is the fifth in a series examining independent agents' views on marketplace issues. The survey was sponsored by *Insurance Journal* and conducted by Channel Harvest — a partnership between Aartrijk and Campbell Communications.

The survey instrument covered more than 90 questions. More than 1,500 agents responded to the survey and passed validation criteria. Quantitative survey results are presented in a variety of formats, including importance rankings of specific carrier attributes, ratings of specific companies on attributes, industry issues, and open-ended agency comments about what breaks out superior carriers from the pack. Information quoted in this article and the included graph is based on preliminary data. Final survey findings could differ slightly.

For information on obtaining the survey report, contact John Campbell at john@channelharvest.com or 202-363-2069. IJ

Laugh!

IJ's Satire Issue Is Back.

Readers, Submit Your Anecdotes!

LOL! Insurance Journal's famous "Satire Issue" is back again. The August 20th issue will be packed with hilarious editorial content, wacky ads from our partners and lots of lighthearted surprises.

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Submit your funny stories, insurance jokes and/or weird claims today at **www.insurancejournal.com/satire**

Let's have some fun with this!

INSURANCE JOURNAL

Searching for a workers' compensation market? Look no further than *Insurance Journal's* 2012 Workers' Comp Directory, a comprehensive listing of intermediaries and carriers offering workers' compensation coverage throughout the country. The information listed in this directory serves as a resource guide for independent agents and brokers looking for workers' compensation markets.

Intermediaries and carriers writing workers' compensation coverage and profiled in this directory submit updated information directly to *Insurance Journal*. We make every attempt to ensure the accuracy of all information listed in this directory. You may also view *Insurance Journal's* Workers' Comp Directory online at: www.insurancejournal.com/resources. To submit a listing for future workers' compensation directories, visit: www.insurancejournal.com/directories, or e-mail Kristine Honey at: khoney@insurancejournal.com.

We hope you find the 2012 Workers' Comp Directory to be a useful tool when searching for markets. To comment on this directory, or any other *Insurance Journal* resource, please e-mail: editorial@insurancejournal.com.

4 All Insurance Services
Contact: Nader Kayvan
Phone: 818-346-4555 ; Fax: 818-610-2219
Email: info@4allinsurance.net
Website: www.4allinsurance.net
- Markets Offered: Excess Workers' Comp, Health Ins, HMO, Managed Care, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Brokered Business: Accepted
- States Entered in: AZ CA FL NV OR TX UT VA WA

A.I.I. Insurance Brokerage of Mass., Inc.
Contact: Erina Connors
Phone: 508-476-1990 ; Fax: 508-476-1991
Email: info@agencyint.com
Website: www.agencyint.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: CT MA NH
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Magna Carta, Tower Group

Access Point Insurance Services
Contact: Jeremy Block
Phone: 949-760-0595 ; Fax: 949-760-0591
Email: submissions@accesspointins.net
Website: www.accesspointins.net
- Markets Offered: Workers' Comp - Standard or PEO
- Phone Inquiries: Accepted
- Minimum Premium: $2,500 / $10K for Hi Mods
- Brokered Business: Accepted
- States Entered in: AZ CA NV
- Carriers Represented: Majority via Brokerage

Advanced PEO Solutions, LLC
Contact: Shane Underwood
Phone: 877-518-2881 ; Fax: 866-611-9598
Email: sunderwood@advancedpeo.com
Website: www.advancedpeo.com
- Markets Offered: PEO, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: $1,000,000
- Brokered Business: Accepted
- States Entered in: AL FL GA KY LA MS NC SC TN TX
- Admitted Status: Admitted & Non-admitted

Agency Intermediaries, Inc.
Contact: Erina Connors
Phone: 203-453-2859 ; Fax: 203-453-8859
Email: info@agencyint.com
Website: www.agencyint.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: CT MA NH RI
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Magna Carta, Tower Group

Agency Resources
Contact: Florencia Robledo
Phone: 866-454-9676 ; Fax: 973-261-9202
Email: florencia.robledo@agencyresources.com
Website: www.agencyresources.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: $1M / $1M / $1M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted

Agostini Surplus
Contact: Caesar Serrano
Phone: 800-922-7283 ; Fax: 619-593-2008
Email: caesar@cidinsurance.com
Website: www.agostiniwholesale.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: AZ CA CO NM NV OR TX
- Admitted Status: Admitted

All Risks, Ltd.
Contact: Hollie Hobbie Degutis
Phone: 800-366-5810 ; Fax: 410-828-8179
Email: hhobbie@allrisks.com
Website: www.allrisks.com
- Markets Offered: MEL & DBA, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by class
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Over 14 carriers represented

Alternative Market Services, Inc.
Phone: 855-924-1597 ; Fax:916-751-5911
Email: info@amsboss.com
Website: www.alternativemarketservices.com
- Markets Offered: Health Insurance, PEO, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: N/A
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: All Carriers

Alternative Risk Transfer
Contact: Rick Kirsch
Phone: 321-281-0763 ; Fax: 866-481-9969
Email: rkirsch@risktransferprograms.com
Website: www.altrisktransfer.com
- Markets Offered: Captives, Excess Workers' Comp, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: TBD
- Limits: TBD
- Brokered Business: Accepted
- States Entered in: All States

AMCFairmont
Contact: Steve Strange
Phone: 800-233-2398 ; Fax: 501-450-6962
Email: marketing@amcins.com
Website: www.amcinsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Brokered Business: Not Accepted
- States Entered in: Most States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: AmTrust, Zurich

AMIS/Alliance Marketing & Insurance Services
Contact: Bill West
Phone: 800- 843-8550 ; Fax: 800- 573-8550
Email: bwest@amiscorp.com
Website: www.amiscorp.com
- Markets Offered: Ins. Adjusters, Security Guards & Alarm Co's, Workers' Comp for Private Investigators
- Phone Inquiries: Accepted
- Minimum Premium: $297
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Non-admitted
- Carriers Represented: Travelers

AmTrust North America
Contact: Customer Service
Phone: 877-528-7878 ; Fax: 800-487-9654
Email: marketing@amtrustgroup.com
Website: www.amtrustnorthamerica.com
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Alliance With: Multiple regional alliances

AmWINS Group, Inc. - 50 Offices Nationwide
See Website for Locations, HQ - Charlotte, NC
Contact: Marketing Department
Phone: 704-749-2700 ; Fax: 704-943-9000
Email: marketing@amwins.com
Website: www.amwins.com
- Markets Offered: Excess Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Limits: Various
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: All Excess WC Carriers

AmWINS Program Underwriters
Contact: Garry Snyder
Phone: 717-214-7557
Email: garry.snyder@amwins.com
Website: www.amwins.com/apu
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: Various AM Best A- Rated or Higher

Apex Insurance Services of Texas
Contact: Robert Hughes
Phone: 210-340-8985 ; Fax: 210-340-8986
Email: hughes@apexinsurance.com
Website: www.apexinsurance.com
- Markets Offered: Excess Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $50,000
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: ACE, CNA, XL, Safety National, MWECC, Liberty, NY Marine & General

Appalachian Underwriters, Inc.
Contact: Jonathan Hooven
Phone: 888-376-9633 ; Fax: 888-871-7644
Email: marketing@appund.com
Website: www.appund.com
- Markets Offered: USL&H, Workers' Comp, New Ventures/No Prior Eligible
- Phone Inquiries: Accepted
- Minimum Premium: $750
- Brokered Business: Accepted
- States Entered in: All States except Monopolistic
- Carriers Represented: Multiple A.M. Best 'A' Rated Carriers. Exclusive Programs for Healthcare, Trucking and Construction Risks.

Applied Underwriters, Inc.
Contact: Sheila Gallagher
Phone: 877-234-4450 ; Fax: 877-234-4452
Email: sales@auw.com
Website: www.auw.com
- Markets Offered: EPLI, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: N/A
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted

Arrowhead General Insurance Agency, Inc.
Contact: Marketing Dept.
Phone: 800-669-1889 ; Fax: 619-881-8695
Email: MarketingInfo@ArrowheadGrp.com
Website: www.ArrowheadGrp.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by Carrier
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Multiple "A" rated carriers

Artex Risk Solutions, Inc.
Contact: Phillip Giles
Phone: 910-295-9800
Email: phil_giles@artexrisk.com
Website: www.artexrisk.com
- Markets Offered: Excess WC, Workers' Comp, Guaranteed Cost & Alternitive Risk (Group Captives)
- Phone Inquiries: Accepted
- Minimum Premium: $100,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Several All "A" rated or higher

Atlantic Risk Specialists, Inc.
Contact: Darren Dooskin
Phone: 201-661-2300 ; Fax: 201-661-2499
Email: ddooskin@arspecialists.com
Website: www.arspecialists.com
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $10,000
- Brokered Business: Not Accepted
- States Entered in: All States

Atlas General Insurance Services
Contact: Marketing Dept.
Phone: 877-662-8527 ; Fax: 619-814-8914
Email: info@atlas.us.com
Website: www.atlas.us.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: Multiple "A" rated carriers

Berkshire Hathaway Homestate Companies
Contact: Customer Service
Phone: 888-495-8949 ; Fax: 415-675-5482
Email: marketingsf@bhhc.com
Website: www.bhhc.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted

Bonding and Insurance Specialists Agency, Inc.
Contact: Bill Ballay
Phone: 800-346-1031 ; Fax: 708-598-6686
Email: wballay@bisa-inc.com
Website: www.bisa-inc.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: Various

Boston Insurance Brokerage, Inc .
Contact: Brendan Dolan
Phone: 617-556-7000 Ext. 7031 ; Fax: 617-556-7070
Email: bdolan@bostonbrokerage.com
Website: www.bostonbrokerage.com
- Markets Offered: Guaranteed Cost, Excess, Rating Plans
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Limits: Standard
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: AIM Mutual, Atlantic Charter, Amerisafe, AmTrust, Axiom, Chartis, Crum & Forster, Employers, Guard, Hartford, Munich RE (V3), RTW, Republic Indemnity, Sentry, Tangram (ProSight), and Travelers

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Breckenridge Insurance Services
Contact: Virgil Anderson
Phone: 559-221-2050
Email: vanderson@breckis.com
Website: www.breckis.com
- Markets Offered: Workers' Comp, MGU, Wholesale Brokerage
- Phone Inquiries: Accepted
- Minimum Premium: $10,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Alaska National, BHHC, Chartis, Crum + Forster, ICW, Republic, Tower

Brownyard Group
Contact: Jennifer Brownyard
Phone: 800-645-5820 ; Fax: 631-666-5723
Email: info@brownyard.com
Website: www.brownyard.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $10,000
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted

Brownyard Programs, Ltd.
Contact: Pam Vancott
Phone: 631-581-9300 ; Fax: 631-581-9385
Email: pvancott@brownyardprograms.com
Website: www.brownyardprograms.com
- Markets Offered: Workers' Comp for Security Guards, Investigators, Alarm Companies
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Limits: $1M / $1M / $1M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Chartis Group Companies and QBE Group Companies

Specialty Insurance - GL, Professional, Umbrella, Auto & WC Programs for the Private Security Industry including security guard, private investigation, background screening, alarm, and other electronic security companies.

Builders & Tradesmen's Ins. Services, Inc.
Contact: Michelle Losee
Phone: 916-772-9200 ; Fax: 916-772-9292
Email: mlosee@btisinc.com
Website: www.btisinc.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: AR AZ CA CO ID NM NV OK OR TX UT
- Admitted Status: Admitted
- Carriers Represented: Chartis, Hartford, ICW, CNA, Travelers, Companion, Zenith

Bunker Hill Underwriters
Contact: Kathleen Eaton
Phone: 713-935-7400 ; Fax: 713-467-8238
Email: keaton@bhuainc.com
Website: www.bhuainc.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $100
- Brokered Business: Not Accepted
- States Entered in: TX

C C Roy Insurance Brokers, Inc.
Phone: 800-443-6566 ; Fax: 925-460-9484
Email: sheric@ccroybrokers.com
Website: www.artisanwc.com
- Markets Offered: Artisan Contractors Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $950
- Brokered Business: Accepted
- States Entered in: CA NV
- Carriers Represented: Tower Select

Care Providers Insurance Services, LLC
Contact: Priscilla Archer
Phone: 800-761-7072 Ext. 1313 ; Fax: 800-224-7145
Email: parcher@nsminc.com
Website: www.ins-cps.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: None
- Limits: EL $1M
- Brokered Business: Not Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Texas - Open Safety Group accessed through Texas Mutual

Chamber Insurance Agency Services
Contact: John Ferreira
Phone: 973-669-2309 ; Fax: 973-731-2288
Email: jpferreira@chamberagent.com
Website: www.chamberagent.com
- Markets Offered: Excess Workers' Comp, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: Various
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Chartis, CNA, Hartford, Travelers, MunichRe

Charity First Insurance Services, Inc.
Contact: Riley Binford
Phone: 800-352-2761 ; Fax: 415-536-4033
Email: charityfirstinfo@charityfirst.com
Website: www.charityfirst.com
- Markets Offered: Workers' Comp, Nonprofits Only
- Phone Inquiries: Accepted
- Minimum Premium: $1,500
- Brokered Business: Not Accepted
- States Entered in: Most States
- Carriers Represented: Admitted in most states

Combined Resources
Contact: Richad Rossi
Phone: 631-758-6780 Ext. 101 ; Fax: 631-758-6781
Email: RRossi@specializedinsurance.com
Website: www.AutoInsureIt.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Limits: Up to $1M
- Brokered Business: Accepted
- States Entered in: CA CT DE FL IL MD ME NC NE NH NJ NY PA RI SC VA VT
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: over 25 Insurance companies

Commercial Insurance Group - ShieldComp
Contact: Bruce Richards
Phone: 303-900-2960 ; Fax: 303-648-5391
Email: bruce@cig-llc.biz
Website: www.cig-llc.biz or www.mycontractorinsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: up to $1M
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: Multiple Carriers

Commercial Sector Insurance Brokers
Contact: Carl Thompson
Phone: 205-776-2625 ; Fax: 205-776-1619
Email: cthompson@comsectorins.com
Website: www.comsectorins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: Most States
- Carriers Represented: Chartis, Amerisafe, Am Trust, Crum & Forester, Munich, Zurich

Commercial Sector is a National Wholesaler. We specialize in assisting retail agents solve P & C problems, including Workers' Comp.

Comp Solutions Network, Inc.
Contact: Dianne Favro
Phone: 800-256-8035 ; Fax: 713-690-8484
Email: diannef@compsolutionsnetwork.com
Website: www.compsolutionsnetwork.com
- Markets Offered: Monoline Workers' Comp, Non-Subscriber Programs for Texas Employers
- Phone Inquiries: Accepted
- Minimum Premium: $250
- Limits: $500K to $10M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers (WC): AmTrust, Amerisafe, BHHC, American Hallmark, Chartis, Dallas National, Great Midwest, Republic Indemnity, MidWest, Old Glory, Praetorian, Service Lloyds, OneBeacon, Texas Mutual, Texas Builders, Markel, Guard, American Alternative
- Carriers (Non-Subscribers): Service Lloyds, US Specialty, Essex, Great American, North American Capacity, Republic Vanguard, ACE American, GHS , One Beacon, Pan American

Comp-Care Brokerage, Inc.
Contact: Jeff Byrnes
Phone: 732-453-8766 ; Fax: 732-680-4070
Email: jeff@comp-carebrokerage.com
Website: www.comp-carebrokerage.com
- Markets Offered: Managed Care, Pay As You Go, WC
- Phone Inquiries: Accepted
- Minimum Premium: $400
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: NJ
- Admitted Status: Admitted
- Carriers Represented: Hartford, Guard, Guarantee ARI, Travelers, Utica, CNA, Tower, ACE

Compass Insurance Group of Agencies
Contact: Paul Laufer
Phone: 818-507-1980 ; Fax: 818-545-3818
Email: plaufer@compasseands.com
Website: www.compasseands.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: CA
- Admitted Status: Admitted
- Carriers Represented: 20+ Markets

Continental Brokers, Inc.
Contact: Collier Simpson
Phone: 866-386-4136 ; Fax: 601-898-4793
Email: cs@continentalbrokers.biz
Website: www.continentalbrokers.biz
- Markets Offered: Health Insurance, Managed Care, HMO, Short Term Medical, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: CNA, Hartford, Assurant, BCBS (some states) United HealthCare, Colonial

Continental Risk Insurance Services
Contact: Jeana Ramos
Phone: 866-699-2747 ; Fax: 209-365-6040
Email: jeana@continentalriskins.com
Website: www.continentalriskins.com
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Brokered Business: Accepted
- States Entered in: AK AR AZ CA CO FL GA ID NC NV NY OR TX UT WA
- Admitted Status: Admitted & Non-admitted

Costanza Insurance Agency, Inc.
Contact: Brian Costanza
Phone: 800-346-0942 ; Fax: 972-991-2139
Email: b.costanza@cia-tx.com
Website: www.costanzainsurance.com
- Markets Offered: Workers' Comp, GL, Comm Auto, Crime, EPL, EBL, Umbrella
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: Zurich Insurance Co.

CoverX Corporation
Contact: John Bures
Phone: 248-358-4010 ; Fax: 248-358-2459
Email: coverxuw@coverx.com
Website: www.coverx.com
- Markets Offered: Workers' Comp for Security Guard & Alarm Contractors
- Phone Inquiries: Accepted
- Minimum Premium: Varies
- Brokered Business: Accepted
- States Entered in: All States except AK & HI
- Admitted Status: Non-admitted
- Carriers Represented: Travelers

Employer's Comp Associates, Inc.
Contact: Darlene Freeman
Phone: 972-931-2026 ; Fax: 972-931-2126
Email: darlenefreeman@empcomp.com
Website: www.employerscompassociates.com
- Markets Offered: Workers' Comp, Workers' Comp Alternative
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Brokered Business: Accepted
- States Entered in: TX
- Carriers Represented: Berkshire Hathaway, Chartis, Great American Ins. Co.

Employers Assurance Company
Contact: Customer Service
Phone: 800-226-1898 ; Fax: 800-226-1805
Email: customerservice@employers.com
Website: www.employers.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by State
- Limits: Varies by State
- Brokered Business: Accepted
- States Entered in: AL AZ DC FL GA IL IN KS KY MD MO MS NC NM OK SC TN TX VA WI

Employers Compensation Insurance Company (ECIC)
Contact: Customer Service
Phone: 888-682-6671 ; Fax: 818-549-4770
Email: customerservice@employers.com
Website: www.employers.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by State
- Limits: Varies by State
- Brokered Business: Accepted
- States Entered in: AZ CA CO FL ID IL MT OR PA TX UT
- Alliance With: Employers Occupational Health

Employers Insurance Company of Nevada (EICN)
Contact: Customer Service
Phone: 888-682-6671 ; Fax: 702-671-7175
Email: customerservice@employers.com
Website: www.employers.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: NV
- Alliance With: Employers Occupational Health

Employers Preferred Insurance Company
Contact: Customer Service
Phone: 800-226-1898 ; Fax: 800-226-1805
Email: customerservice@employers.com
Website: www.employers.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by State
- Limits: Varies by State
- Brokered Business: Accepted
- States Entered in: AL AR DC FL GA IA IL IN KS KY MD MN MO MS NC OK SC TN TX VA WI
- Alliance With: Employers Occupational Health

Etowah Insurance Group, Inc.
Contact: Harley Gambrell
Phone: 706-378-3488 ; Fax: 706-378-3489
Email: harley@TheEtowahGroup.com
Website: www.TheEtowahGroup.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: Up to $1M / $1M / $1M
- Brokered Business: Accepted
- States Entered in: AL GA TN
- Admitted Status: Admitted
- Carriers Represented: Multiple Carriers

Friedlander Group, Inc.
Contact: Cosmo Preiato
Phone: 914-694-6000 Ext. 203 ; Fax: 914-694-6004
Email: Cosmop@friedlandergroup.com
Website: www.friedlandergroup.com
- Markets Offered: Workers' Comp - Multiple Classes
- Phone Inquiries: Accepted
- Minimum Premium: $3,500 / $2,500 Restaurants
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: NY
- Admitted Status: Admitted
- Alliance With: New York State Insurance Fund

Global Facilities, Inc.
Contact: Craig Shapiro
Phone: 516-599-3800 ; Fax: 516-599-3930
Email: globalfc@optonline.net
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $0
- Limits: 1,000,000
- Brokered Business: Accepted
- States Entered in: AZ CT NJ NY PA
- Admitted Status: Admitted
- Carriers Represented: Traveler's, Guard, Tower

GUARD Insurance Group
Phone: 570- 825-9900 ; Fax: 570- 823-5930
Email: csr@guard.com
Website: www.guard.com
- Markets Offered: Workers' Comp & related P&C lines targeting small- to mid-sized accounts
- Phone Inquiries: Accepted
- Minimum Premium: No Standard Minimum
- Limits: Statutory
- Brokered Business: Not Accepted
- States Entered in: 28 States plus DC

Heydari Financial Group, Inc.
Contact: Ali Heydari
Phone: 713-953-0404 ; Fax: 713-975-1722
Email: ali@heydarifinancial.com
Website: www.heydarifinancial.com
- Markets Offered: Excess Workers' Comp, Health Ins., HMO, Managed Care, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Limits: Open
- Brokered Business: Accepted
- States Entered in: AZ CA FL MD NY TX
- Admitted Status: Admitted & Non-admitted

Hamond Safety Management, LLC
Contact: Rick Yu
Phone: 516-488-2800 Ext. 4219 ; Fax: 516-488-2167
Email: Ryu@hamondgroup.com
Website: www.hamondgroup.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $10,000
- Brokered Business: Accepted
- States Entered in: NY

IAAC, Inc. (Membership Services Division of IIABNY)
Phone: 800-962-7950 ; Fax: 888-432-0510
Email: iiabny@iiabny.org
Website: www.iiabny.org
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Brokered Business: Not Accepted
- States Entered in: NY
- Carriers Represented: PMC Insurance IIABNY's endorsed WC wholesaler represents several carriers.

ICW Group Insurance Companies
Contact: Debra Parker
Phone: 800-877-1111
Email: dparker@icwgroup.com
Website: www.icwgroup.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $2,500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: CA FL IL NV
- Admitted Status: Admitted
- Alliance With: MEDEX

Insential, Inc.
Contact: Dennis Kasprowicz
Phone: 888-571-6160 ; Fax: 708-731-4040
Email: dkasprowicz@insential.com
Website: www.insential.com
- Markets Offered: Excess Workers' Comp, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $10,000
- Limits: $1M
- Brokered Business: Accepted
- States Entered: All States
- Admitted Status: Admitted
- Carriers Represented: Gateway

Insurance Center Special Risks, Ltd.
Contact: Ludmila Koval
Phone: 888-773-7475 ; Fax: 413-781-0050
Email: lkoval@specilarisksltd.com
Website: www.specialrisksltd.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $350
- Brokered Business: Not Accepted
- States Entered: CT MA ME NH NY RI VT
- Admitted Status: Admitted
- Carriers Represented: The Hartford, Guard

International Excess Companies
Contact: : Janner Holliday
Phone: 216-797-9700 ; Fax: 888-291-1382
Email: jholliday@intlxs.com
Website: www.intlxs.com
- Markets Offered: Excess Workers' Comp, PEOs, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by class, as low as $250
- Limits: Statutory + increased limits & excess limits
- Brokered Business: Accepted
- States Entered in: All States except Monopolistic
- Admitted Status: Admitted
- Carriers Represented: Various

International Facilities Ins. Services, Inc.
Contact: Viviane Woodcock
Phone: 213-833-0288 Ext. 306
Email: VW@ifisla.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: AL AR CA CO FL IL MA NE NM NV NY OK PA SC TX UT WA
- Admitted Status: Admitted
- Carriers Represented: 12+ A Rated Carriers

IPA Risk Management, LLC
Contact: Greg or Chase
Phone: 201-797-1084 x 201 ; Fax: 201-797-1076
Email: c.heitmann@ipariskmanagement.com
Website: www.ipariskmanagement.com
- Markets Offered: Health Insurance, HMO, Managed Care, PEO, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $25,000
- Limits: $1,000,000
- Brokered Business: Accepted
- States Entered in: CA CT DE FL MD NC NJ NY PA SC TX
- Admitted Status: Admitted & Non-admitted
- Alliance With: Yes - health benefits are integrated with workers' comp benefits

Ironwood Brokers & Insurance Marketing
Contact: Michelle Newsom
Phone: 949-487-0057 ; Fax: 949-271-4800
Email: mnewsom@ironwoodbrokers.com
Website: www.ironwoodbrokers.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Limits: $1,000,000
- Brokered Business: Accepted
- States Entered in: CA TX
- Admitted Status: Admitted
- Carriers Represented: ICW, Chartis, Everest, Zurich, Companion, Travelers, Republic Underwriters

Irving Weber Associates, Inc.
Contact: Adam Weber
Phone: 800-243-1811 ; Fax: 888-622-0414
Email: Mail@iwains.com
Website: www.iwains.com
- Markets Offered: Workers' Comp, WC Safety Group for the Fabricare Industry
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: Great Central Insurance Co.

Irving Weber Associates, Inc.
Contact: Adam Weber
Phone: 800-243-1811 ; Fax: 888-622-0414
Email: Mail@iwains.com
Website: www.iwains.com
- Markets Offered: Workers' Comp, WC Safety Group for the Business Products Industry
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Brokered Business: Accepted
- States Entered in: NY
- Admitted Status: Admitted
- Carriers Represented: The New York State Insurance Fund

Irwin Siegel Agency, Inc.
Contact: Heather Bechelli
Phone: 800-622-8272 ; Fax: 845-796-3661
Email: heather.bechelli@siegelagency.com
Website: www.siegelagency.com
- Markets Offered: WC for Social Service Risks
- Phone Inquiries: Accepted
- Minimum Premium: $2,500 ($3,500 - CA)
- Brokered Business: Not Accepted
- States Entered in: All States except OH ND WA WY
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Chartis

iSurity, Inc.
Contact: Tyler Adamson
Phone: 336-870-4260 ; Fax: 336-869-7070
Email: tyleradamson@isurity.com
Website: www.isurity.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,250
- Brokered Business: Accepted
- States Entered in: NC SC
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Chartis and we write on 3 of our own papers

Izzo Insurance Services, Inc.
Contact: Mike Jones
Phone: 800-800-1704 ; Fax: 708-452-1700
Email: MJones@IzzoInsurance.com
Website: www.IzzoInsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: CNA, ICW Group, Hartford, Zurich, Star Insurance, Employers, QBE Insurance, Zenith, Williamsburg National Insurance

J.W. Terrill Inc.
Contact: Duke Niedringhaus
Phone: 314-594-2622
Email: dniedringhaus@jwterrill.com
Website: www.jwterrill.com
- Markets Offered: Excess Workers' Comp For Self Insured Entities & Group Captives
- Phone Inquiries: Accepted
- Minimum Premium: $100,000
- Brokered Business: Accepted
- States Entered in: All States

Jimcor Agencies
Contact: Jerry Zaloom
Phone: 201-573-8200 Ext. 1201 ; Fax: 201-573-8820
Email: jzaloom@jimcor.com
Website: www.jimcor.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Limits: Any Applicable per State
- Brokered Business: Accepted
- States Entered in: All Nonmonopolistic States
- Admitted Status: Admitted
- Carriers Represented: Charits, Travelers, CNA, Tower, Crum + Forster

Keith D. Peterson & Co., Inc.
Contact: C. Preston Herrington, III
Phone: 804-643-7800 ; Fax: 804-643-5800
Email: preston.herrington@keithdpeterson.com
Website: www.keithdpeterson.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $10,000
- Limits: 500/500/500
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Multiple

Keller & Co, Inc.
Contact: Rob Martin
Phone: 716-874-1644 ; Fax: 716-874-4920
Email: rmartin@kellerandco.com
Website: www.kellerandco.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies
- Brokered Business: Accepted
- States Entered in: NJ NY PA
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Various

KF&B, Inc.
Contact: Marni Sawicki
Phone: 877-242-7700 Ext. 283 ; Fax: 818-242-6800
Email: msawicki@kfbins.com
Website: www.kfbins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $7,500
- Limits: Statutory
- Brokered Business: Not Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: The PMA Insurance Group

LIG Marine Managers
Contact: Karen Tischler
Phone: 727-578-2800 ; Fax: 727-578-9977
Email: KLT@LIGMarine.com
Website: www.LIGMarine.com
- Markets Offered: USL&H (Longshore), Workers' Comp, MEL
- Phone Inquiries: Accepted
- Minimum Premium: $10,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Various

Loveland & Smart Ins. Services, Inc.
Contact : Joe Loveland
Phone: 916-844-0349 ; Fax: 916-362-5595
Email: Joe@lovelandsmart.com
Website: www.lovelandsmart.com
- Markets Offered: Excess WC for Self Insured Entities & Excess GL & Auto Liab for Pubic Entities
- Phone Inquiries: Accepted
- Minimum Premium: $20,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: AR AZ CA CO GA ID IL LA MI MO MS NV NY OH OK OR PA UT WA
- Admitted Status: Admitted
- Carriers Represented: All Excess WC Carriers

LowRateWorkComp
Contact : Paul Farhood
Phone: 850-625-5190 ; Fax: 888-625-2628
Email: gotcomp@yahoo.com
Website: www.LowRateWorkComp.com
- Markets Offered: Excess Workers' Comp, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: All States except WA

Marine Agency Corporation
Contact: Charlie Stevens
Phone: 973-763-4711 Ext. 14 ; Fax: 973-763-1635
Email: cstevens@marineagency.com
Website: www.marineagency.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Limits: 100 / 500 / 100 and Higher
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Rochdale, Zurich, Fireman's Fund, Chartis

Maritime Program Group
Contact: Damon Pesce
Phone: 800-366-8086 ; Fax: 860-399-3695
Email: dpesce@maritimepg.com
Website: www.maritimepg.com
- Markets Offered: USL&H, Worker's Comp
- Phone Inquiries: Accepted
- Minimum Premium: $100
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: Chartis Longshoreman & PMA

MarketScout
Contact: Chris Kerr
Phone: 972-934-4200 ; Fax: 972-934-4299
Email: contactus@marketscout.com
Website: www.marketscout.com
- Markets Offered: Health Ins., Managed Care, Trucking, USL&H, Work Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: Over 20 National, Regional & Specialty Carriers

Maxim Insurance Group
Contact: Scott Carde
Phone: 813-689-5105 ; Fax: 813-354-2336
Email: mail@maximinsurancegroup.com
Website: www.maximinsurancegroup.com
- Markets Offered: Managed Care, USL&H, Workers' Comp, Repatriation & Foreign Coverage
- Phone Inquiries: Accepted
- Minimum Premium: $1,500
- Limits: Statutory and up to $2M
- Brokered Business: Accepted
- States Entered in: All States except Monopolistic
- Admitted Status: Admitted
- Carriers: Ameritrust, AmTrust, Associated Industries, Bridgefield Casualty, Bridgefield Employers, Business First, Chartis, OptaComp, Retail First, Rochdale, Security Nat'l, Star, Technology, Wesco, Williamsburg

McClelland and Hine, Inc.
Contact: Amicia Hine
Phone: 210-293-6240 ; Fax: 210-293-6318
Email: amicia@mhi-tx.com
Website: www.mhi-tx.com
- Markets Offered: Occ. Acc., Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: TX
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Travelers, Hartford, Charits, Texas Builders, AmTrust, Zenith

McLeckie Insurance Group
Contact: Bill McLeckie
Phone: 903-897-9090 ; Fax: 760-462-1696
Email: bill@mcleckie.com
Website: www.mcleckie.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Brokered Business: Accepted
- States Entered in: AR CA FL LA NM
- Admitted Status: Admitted
- Carriers Represented: Travelers and various others.

MEADOWBROOK℠ INSURANCE GROUP

Meadowbrook Insurance Group
Contact: Phillip Gajewski
Phone: 248-358-1100 ; Fax: 248-358-1614
Email: pgajewski@meadowbrook.com
Website: www.meadowbrook.com
- Markets Offered: Excess Workers' Comp, Specialty/Niche Programs, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by Program
- Limits: Varies by Program
- Brokered Business: Yes; Varies by Program
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Star. Williamsburg, Ameritrust, Savers P&C, Century Surety, ProCentury

MEMIC

MEMIC Group
Contact: Wendy Bowden
Phone: 207-791-3370 ; Fax: 207-482-4173
Email: wbowden@memic.com
Website: www.memic.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $10,000
- Brokered Business: Not Accepted
- States Entered in: Most States

Specialists in workers' compensation. Our unique approach provides policyholders with a safety consultant and other services that will help them to improve their safety record, leading to sustainable savings over the long run.

MexiPass International Insurance Services, LLC
Contact: Oscar Gutierrez
Phone: 800-639-4727 ; Fax: 800-639-4329
Email: oscar@mexipass.com
Website: www.mexipass.com
- Markets Offered: Foreign Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,500
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: ACE, Chartis, Chubb

Midlands Management Corporation
Phone: 405-840-0074 ; Fax: 405-840-5432
Website: www.midlandsmgt.com
- Markets Offered: Excess Workers' Comp, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: AM Best "A" Rated Carriers

Midlands Management of Texas, Inc.
Phone: 972-588-2000 ; Fax: 972-588-2020
Website: www.midlandsmgt.com
- Markets: Statutory WC WX EL (All States), Non-subscriber - Excess Employers Liability / Texas Non-Subscriber - Occ. Accident (TX only)
- Phone Inquiries: Not Accepted
- Minimum Premium: Varies
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: AM Best "A" Rated Carriers

Midwest Employers Casualty Company
Contact: Renée Lunceford
Phone: 636-449-7022 ; Fax: 636-449-7199
Email: rlunceford@mwecc.com
Website: www.mwecc.com
- Markets Offered: Excess Workers' Comp, Large Deductible, Reinsurance, Self-Insured Bonds
- Phone Inquiries: Accepted
- Minimum Premium: $20,000
- Limits: Up to Statutory
- Brokered Business: Accepted
- States Entered in: All States

Midwestern Insurance Alliance, LLC
Contact: Robert Etzler
Phone: 502-429-9990 ; Fax: 502-426-7067
Email: retzler@k2ins.com
Website: www.midwesterninsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: $1,000,000
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted

National Advantage Insurance Services, Inc.
Contact: Clifford Mapes
Phone: 714-505-1015 ; Fax: 714-505-1025
Email: clifford@naisins.com
Website: www.naisins.com
- Markets Offered: Truckers Occup. Acc.
- Phone Inquiries: Not Accepted
- Minimum Premium: $1,200
- Brokered Business: Accepted
- States Entered in: AZ CA TX
- Carriers Represented: U.S. Specialty Ins. Co.

NBIS
Contact: Peter Bellnier
Phone: 770-257-1777 ; Fax: 770-257-1500
Email: contactus@nbis.com
Website: www.NBIS.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Limits: 100/500/100 500/500/500 1mm/1mm/1mm
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Tower Insurance Group

Networked Insurance Agents
Contact: Joann Webb
Phone: 530- 274-6934 ; Fax: 888-843-2535
Email: Joann.Webb@networkedins.com
Website: www.networkedins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $250
- Limits: $1M / $1M / $1M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Sequoia, Hartford, Travelers, Preferred Employers, Guard, Tower, Meadowbrook, Everest, CNA, First Comp, Republic, Employers, Fireman's Fund, Golden Eagle, ACE, Chartis, Chubb

Norman-Spencer Agency, Inc.
Contact: Stephanie Solano
Phone: 209-466-1413 ; Fax: 209-466-0260
Email: stephaniesolano@norman-spencer.com
Website: www.westmaritime.com
- Markets Offered: Excess Workers' Comp, USL&H, Workers' Comp, Dividend Work Comp (CA only)
- Phone Inquiries: Accepted
- Minimum Premium: $750
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: CA
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Zenith

Northern Star Insurance Agency, LLC
Contact: Stevan Feemster
Phone: 858-210-0785 ; Fax: 714-938-0014
Email: sfeemster@northernstarins.com
Website: www.northernstarins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $750
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States except Monopolistic
- Admitted Status: Admitted
- Carriers Represented: Guard, Zurich, Companion, Ullico, Everest National

Number One Insurance Agency, Inc.
Contact: Barbara Lobdell
Phone: 508-634-7362 ; Fax: 508-634-2931
Email: blobdell@massagent.com
Website: www.massagent.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $100
- Limits: 100 / 500 / 100 +
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: AmTrust, Norfolk & Dedham Group, The Hartford

Omega Insurance Solutions
Contact: Keith Steverson
Phone: 866-997-0711 ; Fax: 888-611-9598
Email: keith@omega4agents.com
Website: www.Omega4agents.com
- Markets Offered: USL&H, Workers' Comp, GL, Commercial Auto, Small BOPs
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: 17 WC carriers/4 PEOs – Writing most classes depending on state.

Oryx Insurance Brokerage, Inc.
Contact: Tim Cappelette
Phone: 617-724-0173 ; Fax: 607-724-7266
Email: tcappellett@oryxinsurance.com
Website: www.oryxinsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Not Accepted
- States Entered in: CT DE IL MD NJ NY PA VA VT
- Carriers Represented: Chartis, Zurich, AmTrust

Pacific Excess Insurance Marketing
Standard - Excess & Surplus - Workers' Compensation Markets

Pacific Excess Insurance Marketing
Contact: Barry Colburn
Phone: 800-222-5582 ; Fax: 714-228-7899
Email: BColburn@pacificexcess.com
Website: www.pacificexcess.com
- Markets Offered: Workers' Comp, All Property & Casualty Risks
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: CA AZ NV
- Admitted Status: Admitted
- Carriers Represented: The Zenith, Tower Select and many more.

Pacific Excess Insurance Marketing is a Wholesaler/General Agent with access to many Standard, Surplus Lines and Workers' Compensation Markets.

Paradigm Risk Solutions, Inc.
Contact: Gary Jennings
Phone: 800-799-7089 ; Fax: 817-696-9118
Email: gary.jennings@sbcglobal.net
Website: www.paradigmrisksolutions.com
- Markets Offered: Health Insurance, HMO, Occ. Acc. for Self-employed, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $3,000
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: One Beacon, Chartis, Zurich, Companion, Dallas National, Berkshire Hathaway

PMC Insurance Group
Contact: Caragh Frye
Phone: 781-449-7744 ; Fax: 781-449-7889
Email: info@pmcinsurance.com
Website: www.pmcinsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Brokered Business: Accepted
- States Entered in: Most States
- Carriers Represented: Chartis, Amtrust, BerkleyNet, Hartford, Guard, Tower, Seabright, Munich Re

PointSure Insurance Services, Inc.
Contact: Steve Ritchie
Phone: 206-269-8617 ; Fax: 206-269-8907
Email: steve.ritchie@pointsure.com
Website: www.pointsure.com
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $10,000 USL&H / $75,000 Seabright Statutory/$2,500 Additional Markets
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Multiple Carriers: Part of Seabright Holdings

Program Brokerage Corporation
Contact: Cynthia O'Brien
Phone: 212-338-2907 ; Fax: 917-934-4585
Email: cobrien@programbrokerage.com
Website: www.programbrokerage.com
- Markets Offered: Excess Workers' Comp, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Chartis, AmTrust, Ace, Travelers, Tower, Hartford, Guard, Zurich, PMA

Renaissance Plan for Workers' Compensation
Contact: Susan Reilly
Phone: 413-687-2792 ; Fax: 781-413-0222
Email: susan.reilly@renaissanceins.com
Website: www.renaissanceins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Brokered Business: Accepted
- States Entered in: CT MA ME NH RI VT
- Admitted Status: Admitted
- Carriers Represented: Star & Savers
- Alliance With: Lynch Ryan & Associates

RISC, Inc.
Contact: William Staub
Phone: 214-954-0707 ; Fax: 214-954-0999
Email: staub@gorisc.com
Website: www.gorisc.com
- Markets Offered: Excess Workers' Comp, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Limits: $500K / $500K / $500K
- Brokered Business: Not Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Berkshire Hathaway, Chartis, SeaBright, Berkley.Net, CV Starr, Amerisafe, Zurich

Risk Alternatives & Management
Contact: Shane Maloney
Phone: 770-424-5770 ; Fax: 770-424-5774
Email: shane@ram-insurance.com
Website: www.ram-insurance.com
- Markets Offered: 24 Hour Policy, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: None
- Brokered Business: Accepted
- States Entered in: All States except Monopolistic
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: DNIC, Lion, AmTrust, Munich Reed, Zurich, Amerisafe, SE Leasing, Companion, Chartis

Risk Transfer Holdings
Contact: Starlene Chupp
Phone: 866-481-9363 ; Fax: 866-481-9969
Email: schupp@risktransferinc.com
Website: www.risktransfer.com
- Markets Offered: EPLI, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $50,000
- Limits: $100K / $500K / $100K
- Brokered Business: Not Accepted
- States Entered in: All States
- Alliance With: Multiples

Risk Transfer Programs, LLC
Contact: Dino Fabrizio
Phone: 321-281-0702 ; Fax: 407-481-9969
Email: dfabrizio@risktransferprograms.com
Website: www.risktransferprograms.com
- Markets Offered: EPLI, PL/GL, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by program
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Tower Group Companies, Amtrust Group & Allied World Assurance Company

RoamNet Insurance Marketing Programs
Contact: Aaron Marin
Phone: 877-272-0333 ; Fax: 909-987-2245
Email: aaronm@roamnetins.com
Website: www.roamnetins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,500
- Limits: High limits with small premiums
- Brokered Business: Accepted
- States Entered: AZ CA CO GA ID NM NV OR UT WA
- Admitted Status: Admitted
- Carriers Represented: One Beacon, Republic, Indemnity, Travelers, EIG, Hartford, Golden Eagle, Hanover, Zenith

Russell Bond & Co., Inc.
Contact: Derek Bucciferro
Phone: 800-333-7226 ; Fax: 800-677-6779
Email: dbucciferro@russellbond.com
Website: www.russellbond.com
- Markets Offered: 24 Hour Policy, Excess EL Public Entities (NY Only), Excess Workers' Comp, Health Ins, HMO, Managed Care, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M EL - Statutory WC
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: Tower, ACE, Chartis, Crum + Forster, Safety National, Rochdale, Capitol, MidWest, Arch

S.H. Smith & Company, Inc.
Contact: James Wyne
Phone: 860-656-1221 ; Fax: 860-656-1121
Email: James_Wyne@shsmith.com
Website: www.shsmith.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $1,200
- Limits: Up to $1M
- Brokered Business: Not Accepted
- States Entered in: All States except Monopolistic
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: AIG/Chartis, Amerisafe, AmTrust, Guard, SeaBright

Safety National Casualty Corporation
Contact: Karla Antrobus
Phone: 888-995-5300 ; Fax: 314-995-3843
Email: karla.antrobus@safetynational.com
Website: www.safetynational.com
- Markets Offered: Excess Workers' Comp, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies by state
- Limits: Varies by state
- Brokered Business: Accepted
- States Entered in: All States & Canada
- Admitted Status: Admitted

SeaBright Insurance Company
Contact: Dean Rappleye
Phone: 206-269-8500 ; Fax: 206-269-8912
Email: dean.rappleye@sbic.com
Website: www.sbic.com
- Markets Offered: ADR, MEL, USL&H, Workers' Comp, OCIP/CCIP
- Phone Inquiries: Accepted
- Minimum Premium: As low as $75,000
- Limits: $1M EL and MEL
- Brokered Business: Not Accepted
- States Entered in: 49 States and DC
- Admitted Status: Admitted
- Alliance With: IMPACT

SFA-5Star Specialty Programs
Contact: Dee Dee Bloom
Phone: 702-740-8470 ; Fax: 702-740-8472
Email: dd.bloom@5starsp.com
Website: www.5starsp.com/SFA/default.aspx
- Markets Offered: Excess Workers' Comp, Large Deductibles, Buy-Down/Layer Coverage, Self-Insurance Bonds, Cash Flow Only Policies
- Phone Inquiries: Accepted
- Minimum Premium: $15,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: All Excess WC Carriers

Smith, Bell & Thompson
Contact: Daniel Curran
Phone: 603-334-3027 ; Fax: 603-334-3090
Website: www.workcompguard.com
- Markets Offered: Healthcare Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: ACE

Sports & Fitness Insurance Corporation
Contact: Collier Simpson
Phone: 800-844-0536 ; Fax: 601-853-6141
Email: askus@sportsfitness.com
Website: www.sportsfitness.com
- Markets Offered: Health Ins, HMO, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Varies
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Safeco, Hartford

State Compensation Insurance Fund of California
Contact: Customer Service
Phone: 888-STATEFUND (888-782-8338)
Email: webmaster@scif.com
Website: www.statefundca.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Depends on class
- Brokered Business: Accepted
- States Entered in: CA
- Alliance With: State Fund Medical Provider Network

Sun Coast General Insurance Agency
Contact: J. Yeskin
Phone: 949-768-1132 ; Fax: 949-768-4045
Email: jyeskin@suncoastinsurance.com
Website: www.suncoastinsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $1,500
- Brokered Business: Not Accepted
- States Entered in: AZ CA NV UT

Globally, everything we know goes into everything we do.

Swett & Crawford
Contact: Ron Boudreaux - National WC Practice Leader
Phone: 612-334-2393 Email: Ron_Boudreaux@Swett.com
Offices: Please visit www.swett.com to access our WC facilities through any of our 39 offices countrywide.
- Markets Offered: Workers Compensation Guaranteed Cost, Paid and Incurred loss retro, USL&H and Jones Act/M E L, Excess WC
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Specialties: Temp Staffing, Healthcare, Trucking, USL&H, General Classes; Construction, Manufacturing, Service, Retail/Wholesale
- Carriers Represented: Chartis, Berkshire Hathaway, SeaBright, Amerisafe, Hartford, AmTrust, Berkley Net, Republic, Midwest Employers, Safety National, Liberty Mutual, CNA, Tower, C V Starr, Zurich, Companion, Hartford , Guarantee

Exceptional access to more than 200 standard and specialty carriers, domestic and foreign. Many in-house binding authorities. Innovative, exclusive insurance programs for niche businesses and industries. Nearly 800 brokers, underwriters and support professionals.

Tangram Insurance Services
Contact: Rekha Skantharaja & John Shea
Phone: 707-775-2662 & 707-775-2660
rekha@tangramins.com & jshea@tangramins.com
Website: www.tangramins.com
- Markets Offered: Workers' Comp for Nonprofits
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: Work Comp Limits
- Brokered Business: Accepted
- States Entered in: CA IA IL IN MN MO MS
- Admitted Status: Admitted
- Carriers Represented: Everest National

Target Managers Insurance Services, Inc.
Contact: Vince Garth
Phone: 702-588-5300 ; Fax: 702-588-5310
Email: Info@TMI-Group.com
Website: www.tmi-group.com
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: AL AZ CA CO FL GA HI MA MS NJ NV OR TN TX UT
- Admitted Status: Admitted
- Carriers Represented: Ullico, Chartis, & many others.

TEE & GEE Group
Contact: Steve Goldberg
Phone: 972-590-7000 ; Fax: 972-590-7002
Email: Receptionist@teeandgeegroup.com
Website: www.teeandgeegroup.com
- Markets Offered: Excess Workers' Comp, USL&H, Workers' Comp including PEO & Staffing Business
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Limits: Statutory WC
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: Amerisafe, Chartis, Employers, Great Midwest, Guard, Guarantee, LUA, SUNZ, Tower, ULLICO

Tejas American General Agency
Contact: Bart Koch
Phone: 888-999-8242 ; Fax: 512-342-2803
Email: marketing@tagal.com
Website: www.tagal.com
- Markets Offered: USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $250
- Limits: $1M / $1M / $1M
- Brokered Business: Not Accepted
- States Entered in: AR LA NM OK TX
- Admitted Status: Admitted
- Carriers Represented: Accident Fund, AmTrust, Chartis, Companion P&C, Dallas National, Hanover, Hartford, Praetorian, Service Lloyds

Texas Mutual Insurance Company
Contact: Customer Service
Phone: 800-859-5995 ; Fax: 512-224-8585
Email: information@texasmutual.com
Website: www.texasmutual.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: Competitive premiums
- Brokered Business: Accepted
- States Entered in: TX

Texas Oil & Gas Association Workers' Comp Safety Group
Contact: Jim Sierra
Phone: 512-478-6631 ; Fax: 512-472-3859
Email: jsierra@txoga.org
Website: www.txoga.org
- Markets Offered: Oil & Gas Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $0
- Brokered Business: Accepted
- States Entered in: TX
- Carriers Represented: Texas Mutual Ins. Company

The American Equity Underwriters, Inc.
Contact: Julie Bland
Phone: 251-690-4252 ; Fax: 251-690-4299
Email: julie.bland@amequity.com
Website: www.amequity.com
- Markets Offered: USL&H
- Phone Inquiries: Accepted
- Minimum Premium: $15,000
- Limits: Federal Acts - Statutory, EL - $1M
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: N/A, U.S. Dept. of Labor Approved
- Carriers Represented: U.S. Department approved carrier for USL&H and extensions

The Hamilton Wharton Group, Inc.
Contact: W. Taylor
Phone: 212-344-6000 ; Fax: 212-344-0007
Email: wtaylor@hamiltonwharton.com
Website: www.hamiltonwharton.com
- Markets Offered: Workers Comp for Nursing Homes and Assisted Living Facilities
- Phone Inquiries: Accepted
- Minimum Premium: $30,000
- Brokered Business: Accepted
- States Entered in: NY
- Admitted Status: Admitted
- Carriers Represented: NY State Insurance Fund – Safety Group 580

The Holdren Insurance Group, Inc.
Contact: Chuck Holdren
Phone: 310-356-5800 ; Fax: 310-356-5801
Email: chuck@theholdrengroup.com
Website: www.theholdrengroup.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Limits: Statutory
- Brokered Business: Accepted
- States Entered in: Most States
- Admitted Status: Admitted
- Carriers Represented: One monoline WC carrier for our exclusive gun range program.

The Mechanic Group, Inc.
Contact: Marc Katz
Phone: 845-735-0700 ; Fax: 845-735-8383
Email: mkatz@mechanicgroup.com
Website: www.mechanicgroup.com
- Markets Offered: Workers' Comp and all other lines for Security Guards, Alarms and Investigators.
- Phone Inquiries: Accepted
- Minimum Premium: $2,500
- Limits: All
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: The Hartford, Chartis, Magna Carta, ACE

Truckers Insurance Associates
Contact: Paulette Wheeler
Phone: 800-652-9515 ; Fax: 515-276-1418
Email: pwheeler@truckers-insurance.com
Website: www.truckers-insurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $ 25
- Brokered Business: Not Accepted
- States Entered in: AR AZ CO IA IL IN KS MI MN MO NE OK SD TN TX UT WI
- Admitted Status: Admitted
- Carriers Represented: Travelers/Northland, and Dakota Truck Underwriters

U.S. Risk Insurance Group, Inc.
Contact: Julie Byington
Phone: 800-232-5830 ; Fax: 214-265-4976
Email: julieb@usrisk.com
Website: www.usrisk.com
- Markets Offered: Excess Workers' Comp, USL&H, Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $2,000
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted

Unisource Program Administrators
Contact: Lana Potts-Buri
Phone: 941-308-1918 ; Fax: 877-817-8099
Email: Lana.Potts-Buri@UnisourcePA.com
Website: www.UnisourcePA.com
- Markets Offered: Workers' Comp and P&C Markets
- Phone Inquiries: Accepted
- Minimum Premium: $1,000
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: AmTrust, Amerisafe, CastlePoint, Chartis, Companion, Dallas National, Employers, LION, Normandy Harbor, eQBE, QBE, Tower Group, V3 Insurance Partners

USX/S
Contact: Dave Stahl
Phone: 800-574-8797 ; Fax: 440-888-7380
Email: brokers@usxs.net
Website: www.USXS.net
- Markets Offered: Excess Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $15,000
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: Midwest Employers, AIG, Safety National

Venture Insurance Programs
Contact: Mary Teter
Phone: 800-282-6247 x 266 ; Fax: 610-692-5977
Email: marketing@ventureprograms.com
Website: www.ventureprograms.com
- Markets Offered: Workers' Comp for Boutique Hotels, Golf Resorts & Technology firms.
- Phone Inquiries: Accepted
- Minimum Premium: $50,000
- Limits: Up to $1M
- Brokered Business: Accepted
- States Entered in: All States
- Carriers Represented: Zurich, The Hartford, Chubb

Westrope
Contact: Bill Strout
Phone: 816-842-8222 ; Fax: 816-842-3081
Email: info@westrope.com
Website: www.westrope.com
- Markets Offered: Excess Workers' Comp, Workers' Comp, Guaranteed Cost, Less Sensitive
- Phone Inquiries: Accepted
- Minimum Premium: $5,000
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: 25+ Markets, Various Carriers, A rated

Wholesale Brokerage & Insurance Services
Contact: Shannon Linnenkamp
Phone: 877-270-7382 ; Fax: 949-270-7399
Email: submissions@wholesalebrokerins.com
Website: www.wholesalebrokerins.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $500
- Limits: $1M
- Brokered Business: Accepted
- States Entered in: AZ CA NV
- Admitted Status: Admitted & Non-admitted
- Carriers Represented: Chartis, Everest, Delos, Zurich, Travelers

Whorton Insurance dba: MFVInsurance.com
Contact: Ron Ortega
Phone: 512-372-2243 ; Fax: 512-338-1196
Email: Ron@mfvinsurance.com
Website: www.mfvinsurance.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Not Accepted
- Minimum Premium: $500
- Brokered Business: Not Accepted
- States Entered in: Most States

World Wide Specialty Programs
World Wide Specialty Programs, Inc.
World Wide New York Insurance Services, Inc. - CA, NH, TX

World Wide Specialty Programs
Contact: Dorothy Taylor ; Robert Thompson
Phone: 800-245-9653 or 631-390-0900
Fax: 631-390-0921
Email: dtaylor@wwspi.com ; rthompson@wwspi.com
Website: www.wwspi.com
- Markets Offered: Workers' Comp
- Phone Inquiries: Accepted
- Minimum Premium: $50,000- $75,000
- Limits: State Mandated
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted
- Carriers Represented: Zurich

World Wide Specialty Programs has lead the market with the most comprehensive program for the staffing industry for over 50 years. Our partnership & understanding of how the staffing industry works allows us to be the premier source for all Staffing insurance lines including Staffing Workers' Comp.

Wrap Up Insurance Solutions
Contact: Brian Billhartz
Phone: 636-489-0185 ; Fax: 636-536-7473
Email: bbillhartz@trekadmin.com
Website: www.trekadmin.com
- Markets Offered: Excess Workers' Comp, Workers' Comp, Wrap Ups
- Phone Inquiries: Accepted
- Minimum Premium: N/A
- Brokered Business: Accepted
- States Entered in: All States
- Admitted Status: Admitted & Non-admitted

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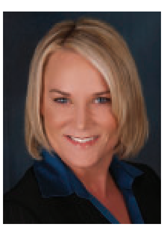
How to Market to People Who Are Not Like You



By Kelly McDonald

If you could grow your business simply by marketing to your existing customers, making money would be a cakewalk. But to generate new revenue, you have to win over the customers you're not getting. Who are these mystery customers? How are they different from your current clientele? Most importantly, how do you forge a bond with them across their differences?

Forget "spray and pray" promotion. It's time to narrowcast, get to know, and then deliver a welcoming message to a specific group. You have to research new customer segments and learn what they need. Then modify your product offerings to communicate that you value that customer. You say to them, "I see you, I value you, and I want you. I'm putting out this welcome mat just for you."

Diversity marketing is the new norm, and this doesn't simply mean racial diversity.

'Spray and Pray' Is No Longer Enough

The marketing environment has become more complex, and consumers have become more sophisticated. No longer does the old "spray and pray" method of marketing — putting your message out there as broadly as possible and hoping it will hit a majority of your prospects — work. What's changed? Two main things: technology and the massive shifts in U.S. demographics.

Technology has allowed us to laser-in on only the things we are interested in, and we can access information and do comparison shopping more easily than ever before. The power is firmly in consumers' hands, and social media and networking make it easier than ever to share referrals and comments about a business, good or bad.

The second factor that affects marketing now is the "new America." The latest Census information reveals startling findings: one-in-three people living in the United States is not white. One-in-six of us is Hispanic. Among children, it's one-in-four. Blacks are moving to suburbs at a pace that's never been seen before. And rural counties are losing population to metropolitan areas.

Every company, brand and organization is trying to increase business these days. One of the fastest and most effective ways to increase business is by targeting market segments based upon our differences, rather than our similarities.

This approach challenges traditional marketing thinking, wherein you target a group based upon commonalities. But I believe the better approach is to market to what makes a group unique and different. When you focus on what makes someone the individual that they are, it's usually less about the color of their skin or their age, and more about their values. Our values point to what our priorities , and that almost always points to where the money is.

This is where "marketing to people who are not like you" comes in. Diversity marketing is the new norm, and this doesn't simply mean racial diversity. Diversity comes in many forms: gender, race, age, life-stage, language preference, sexuality, and hobbies or special interests are all ways in which people's differences are recognized. By recognizing these differences and tailoring your product, message or marketing efforts to reflect consumers' uniqueness, you are validating the importance of a consumer group.

When you focus on a potential customer who is not like you, you will uncover new customers, new ideas and even new products and services that will help you grow your business.

The Census tells us something very important: that we are, as a nation, becoming less of a homogeneous group of people. We are, in fact, becoming many, many diverse groups of people. Learning how to market to people who are not like you will help you grow your business, your profits and your customer loyalty.

By thinking about differences, identifying new key customer groups and digging deep into the hearts and minds of these individuals, you can uncover their values. That, in turn, will lead you to how to market effectively to them. It is no longer about mass marketing. It's about micro-marketing and marketing to people who are not like you. Expand your thinking to focus on differences, and you will most certainly expand your business. IJ

McDonald was a featured speaker at a recent conference for the Independent Insurance Agents & Brokers of America (IIABA), held in Washington, D.C. At the IIABA event hosted by the Big "I" Diversity Task Force, she shared her expertise on multicultural and diverse marketing. She is CEO of Dallas-based McDonald Marketing and author of "How to Market to People Not Like You."

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