TARGET MARKETS

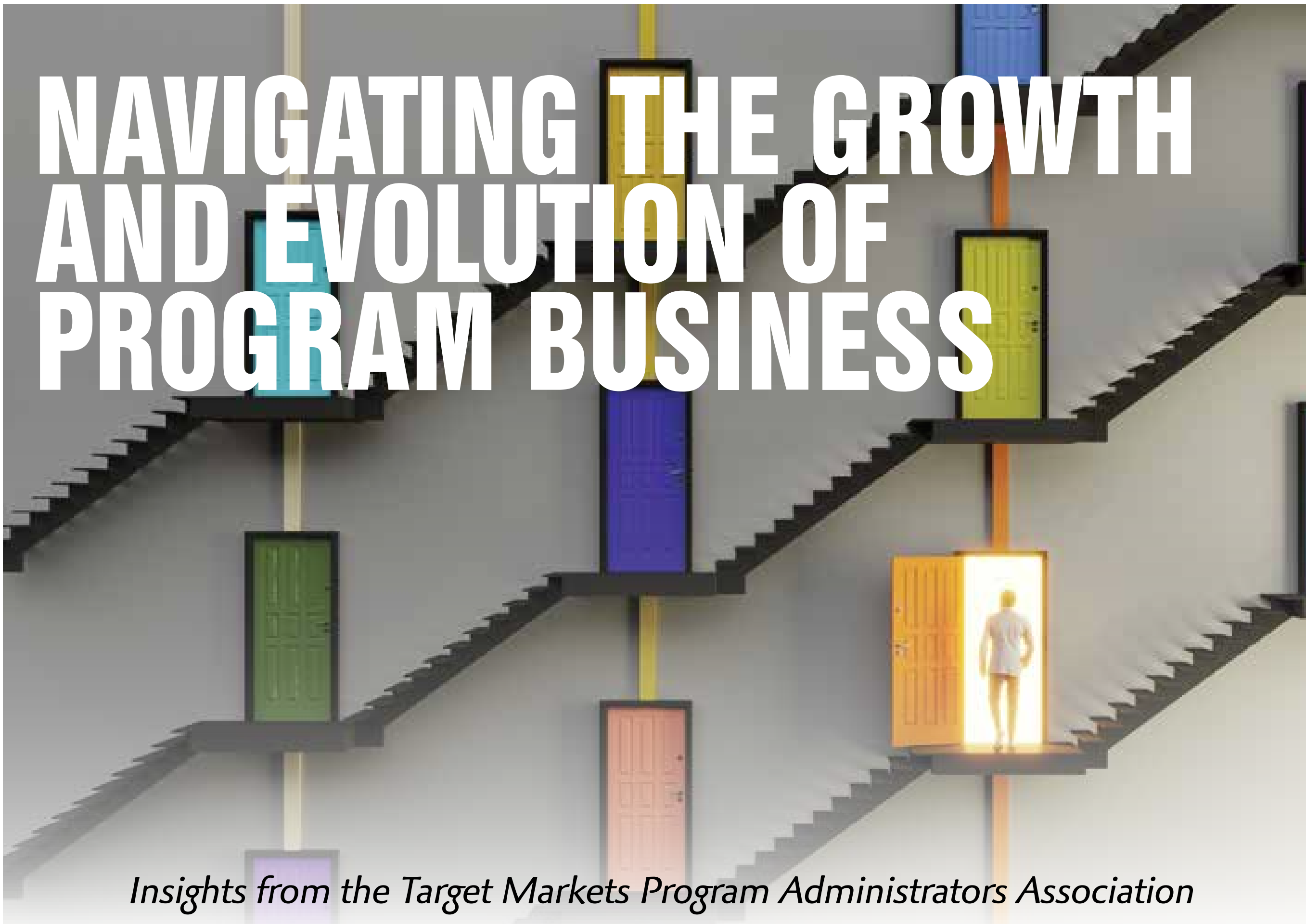
Program Administrators Association

THE 24TH ANNUAL TMPAA SUMMIT

OCTOBER 21-23, 2024

THE BEST IN PROGRAMS MEET HERE

INSIDE



NAVIGATING THE GROWTH AND EVOLUTION OF PROGRAM BUSINESS

Insights from the Target Markets Program Administrators Association

By Gene Abbey and Sarah Ayars

The expansion of the program marketplace and the growth of the Target Market Program Administrators Association (TMPAA) reflect a dynamic and evolving industry landscape. This growth is a testament to the increasing importance and complexity of program business within the broader insurance sector.

The TMPAA currently has 692 members, comprising 407 program administrators, 91 carriers, and 201 service providers. Our Mid-Year and Summit events are experiencing significant growth, evidenced by a nearly 30% increase in attendance. For the upcoming October Summit, we anticipate hosting nearly 1,600 program business professionals.

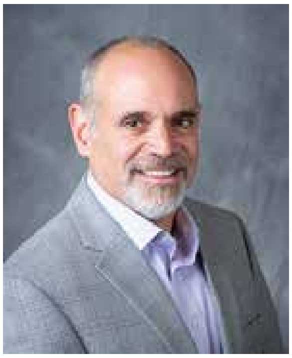
The program insurance sector is expected to exceed $100 billion in premium in 2024. This precise figure will be unveiled in our *2025 TMPAA State of Program Business* report at the association's 25th Annual Summit in Scottsdale.

For the TMPAA, one of the more notable developments in 2024 was the transition of leadership change. Ray Scotto, who has served as the association's executive director since its inception in 2002, is transitioning to senior executive.

Assuming the position of executive director is Gene Abbey, a longstanding TMPAA member and the director of insurance services and education since 2023. Concurrently, Sarah Ayars, who has been with the association for 15 years, will share management responsibilities as the director of operations and marketing.

"The association continues to grow along with the program space, creating challenges and opportunities to meet the evolving needs of our members and provide value for their membership investment," says Scotto. "Gene and

> [T]he future of the program business ecosystem looks promising, with a strong emphasis on adaptability, collaboration, and forward-thinking strategies.



"The association continues to grow along with the program space, creating challenges and opportunities to meet the evolving needs of our members and provide value for their membership investment."

—Ray Scotto
Senior Executive
Target Markets Program Administrators Association

Sarah are perfectly suited to meet these challenges and will continue to advance this amazing organization which I will continue to support in a new capacity."

Another significant event in 2024 was the launching of the new Program Business Professional™ (PBP™) designation. The PBP designation replaced the TMPAA's previous Certified Programs Leader (CPL) designation and is the result of a comprehensive partnership established between the TMPAA and The Institutes in 2023.

This groundbreaking designation was officially launched in May and is poised to set a new standard for excellence in program business expertise.

The TMPAA has ramped up efforts to engage students and create an awareness of program insurance by involving them in TMPAA meetings. Additionally, the TMPAA recently became a Sustaining Partner of Gamma Iota Sigma, the premier collegiate organization for students interested in careers in insurance, risk management, and actuarial science.

This will provide a gateway for TMPAA members to access student talent, including over 5,000 students and 162 colleges and universities. Additionally, it is a means for the TMPAA to create an awareness and understanding of the program insurance industry to students, colleges, and universities alike.

Furthermore, a concerted effort to expand the TMPAA Charities organization, which provides scholarships to risk and insurance students, along with the Packages from Home initiative serving deployed military, is underway. This will include contracting with new universities for additional student scholarships. The expansion will be supported by additional donations and the creation of a charitable endowment program.

The program business landscape is indeed undergoing a significant transformation. As the TMPAA grows and evolves, it reflects the broader shifts in the industry. The TMPAA's strategic initiatives and focus on innovation and collaboration are critical in navigating the complexities of program business.

Here are a few key aspects driving this transformation:

- **Technological advancements.** The integration of advanced technologies, such as artificial intelligence and data analytics, is revolutionizing how programs are developed and managed. This creates opportunities for more personalized and efficient solutions, enhancing both operational effectiveness and customer satisfaction.
- **Market dynamics.** Shifts in market demands and customer expectations are prompting program administrators to innovate continuously. The focus is shifting towards more specialized and tailored insurance solutions that address emerging risks and changing needs.
- **Collaboration and networking.** The TMPAA fosters collaboration among members, facilitating the exchange of best practices and the development of strategic partnerships. This collective approach helps address common challenges and leverage new opportunities.
- **Talent and leadership.** The dedication and vision of industry leaders are essential in steering the program business landscape towards a prosperous future. Investing in talent development and leadership is key to driving sustained growth and innovation.

In conclusion, the future of the program business ecosystem looks promising, with a strong emphasis on adaptability, collaboration, and forward-thinking strategies. The TMPAA's leadership and its members are well-positioned to navigate these changes and shape a thriving industry. ■

The authors

Gene Abbey, MSRI, MBA, CPL, is executive director of Target Markets Professional Administrators Association. He has spent more than 30 years as a P-C insurance professional with an expertise in multi-line commercial coverages and risk management solutions. Gene has served in leadership positions for insurance carriers, program administrators, and service providers. Most recently, he earned master's degrees from Butler University and Cleary University.

As director of operations and marketing, Sarah Ayars oversees Target Markets Program Administrators Association event management, day-to-day operations, and marketing activities. Before joining Target Markets in 2010, she was communications coordinator for Performance Marketing, where she implemented marketing strategies for clients in a wide range of industries. She has a bachelor's degree in advertising/public relations from The Pennsylvania State University.

24th Annual Summit AGENDA

Sunday, October 20, 1 p.m.	**TMPAA Charities Golf Tournament** *(box lunch prior)*
4-6 p.m.	**Early Registration & Trade Show Set Up**

Monday, October 21

7 a.m.	**Registration, Networking Lounge, & Carrier Room Open**
8 a.m.	**Continental Breakfast**
8 a.m.	**Trade Show Open**
12 p.m.	**Networking Lunch**
2-3 p.m.	**Mitigating the Impact of Nuclear Verdicts, Social Inflation, and Litigation Financing**
4-5 p.m.	**GENERAL SESSION with Joan Woodward,** *Executive VP of Public Policy, President of The Travelers Institute*
5-6:30 p.m.	**Welcome Reception**

Tuesday, October 22

7 a.m.	**Networking Breakfast**
8 a.m.	**Networking Lounge, Carrier Room, & Trade Show Open**
8:30-10 a.m.	**GENERAL SESSION with Robert Hartwig, PhD, CPCU,** *Professor and Director, Center for Risk & Uncertainty Management, University of South Carolina*
10:30 a.m.-12 p.m.	**Lloyd's Open House**
11:45 a.m.-1:00 p.m.	**Women's Leadership Group Lunch**
12 p.m.	**Networking Lunch**
1-2 & 3-4 p.m.	**Corporate Photo Opportunity**
2-3 p.m.	**Student Talent Open House**
4-5 p.m.	**Unlocking the Future: AI's Evolution in the Program Space**
5-6:30 p.m.	**Networking Reception**

Wednesday, October 23

7 a.m.	**Networking Breakfast**
7 a.m.-1 p.m.	**Networking Space/Meeting Rooms Open**

INTRODUCING THE PROGRAM BUSINESS PROFESSIONAL (PBP) DESIGNATION

Education offering brings updated content and continuing education credits

By Elisabeth Boone, CPCU

The Target Markets Program Administrators Association recently unveiled a new professional designation and hosted a webinar to introduce the new offering. Leading off the webinar discussion was Greg Thompson, past president of TMPAA and now dean of Target University.

Thompson shared a brief history of the Program Business Professional™ (PBP™) designation, which he explained is an outgrowth or evolution of the Certified Program Leader (CPL) designation, which was created for program professionals in 2012.

"We discovered that many TMPAA members were highly specialized in their niche, but lacked business skills like financial, accounting, actuarial, human relations, operations, information technology, and strategic planning," he said. "These skills are important because they enabled members to round out their insurance knowledge and become successful program managers."

Pointing to the broadening field of actuarial science as a key skill for program administrators, Thompson said, "This is a most important skill, and almost as important is a knowledge of best practices for handling claims and controlling losses."

Things change

Why was the PBP designation needed? "We wanted to update and improve our content, based in part on underlying changes in the business," Thompson said. "A good example is information technology, which has changed a great deal since the CPL designation was created 12 years ago."

Another challenge was the lack of continuing education credit. "Depending on the state, a program administrator is required to have a certain number of CE credits," Thompson explained. "I'm pleased to say that CE credits will be available to program administrators who complete the PBP designation through The Institutes."

Collaborative effort

How was the PBP developed? "We were fortunate to have the support of both sponsors and subject matter expert volunteers," Thompson said. "We used a software called Insure Learn. The developer discounted the price so we could use the software in a cost-effective manner.

"So far, we've awarded the designation to 105 program administrators, 80 carrier personnel, 15 service providers, and two members of the TMPAA staff, for a total of 202 designees," he continued.

"The new designation will accomplish the same objectives as the CPL and expand on those objectives," Thompson said. "The Institutes drew on our content base in many cases," he asserted.

"[The designation] provides a modern, professional learning platform. It teaches knowledge and skills relevant to today's challenges. It also addresses redundancies between the CPL and the CPCU."

*—Greg Thompson
Past President, TMPAA
Dean, Target University*

"The creation of the new designation has been a collaborative effort. [It] has five elements and incorporates two CPCU courses … ."

—Adam Carmichael
President
The Institutes Knowledge Group

"Target Markets will continue to recognize the CPL, and designees can still use the post-nominal CPL," Thompson said. "They also can get partial credit toward the new PBP."

Designation elements

"The creation of the new designation has been a collaborative effort," said Adam Carmichael, president of The Institutes Knowledge Group. "The new designation has five elements and incorporates two CPCU courses: Meeting Challenges Across Insurance Operations and Contributing to Insurer Financial Performance. The remaining PBP courses are Becoming a Strategic Program Administrator, Understanding PA Contracts and Submissions, and Ethical Decision Making in Risk and Insurance."

The first of the two CPCU courses addresses the insurance value chain, how claims fulfill the insurer promise, leveraging commercial underwriting strategy, personal lines underwriting, gaining a competitive edge through marketing, expanding capacity with reinsurance, and the actuary's role.

The second CPCU course covers topics like taking a holistic view of insurer finances, key financial measures, insurer financial statements, analyzing key ratio results, assessing investment opportunities, and strategically managing capital.

The first PBP course is Becoming a Strategic PA. Topics are PAs and the insurance value chain, PA leadership skills, optimizing risk management strategy, mergers and acquisitions, captive insurers, and maximizing results with technology.

The second course is Understanding PA Contracts and Submissions. Topics are contracts, agency essentials, evaluating PA contracts, the program submission process, program submission details, and concluding the submission process.

"Ethics is core to risk and insurance," Carmichael said. "Our course is called Ethical Decision Making in Risk and Insurance, and it's free and CE approved."

The PBP courses are online and are designed around educational objectives. Courses are designed for self-study with online access available to flexibly fit into the candidate's schedule.

Value of the PBP

In explaining why one should obtain a PBP, Thompson said, "It provides a modern, professional learning platform. It teaches knowledge and skills relevant to today's challenges. It also addresses redundancies between the CPL and the CPCU."

What's more, he pointed out, all program administrators must earn CE credits to maintain an agent's license, and the cost of the new course will be subsidized by sponsors for program administrator members.

For more information, visit web.theinstitutes.org/designations/program-business-professional. ■

Note: Quotes have been edited for brevity and clarity.

The author

Elisabeth Boone, CPCU, is a freelance journalist based in St. Louis, Missouri.

PROGRAM ADMINISTRATOR INDEX

HOTEL AND MOTEL PROPERTY INSURANCE: IS THERE A NEW WAY FORWARD?

Trust is the secret sauce for gaining access to precious market capacity

The property insurance landscape has reached the toughest point ever seen by most insurance professionals. This hard market has especially hit the hospitality industry, making it extremely hard to find viable coverage options.

As we advance through 2024, the light at the end of the tunnel is still hidden from view. With factors such as unprecedented weather patterns, inflation, inadequate reinsurance, poor management, and negligent visitors, standard market and E&S carriers alike have been quick to exit the hotel/motel sector.

This has agents frustrated and is forcing them to either turn away business or offer property options that are less than ideal from a coverage standpoint.

These challenges increase significantly with tougher accounts. Carriers are often unwilling to allocate their precious capacity to hotel locations with ratings below four stars.

Risk factors such as frame construction, exterior unit access, non-sprinklered locations, and buildings constructed pre-2000 often leave agents paralyzed. Should they submit this risk to a wholesaler? Look into shared and layered options? Take a chance with subpar coverage? Or maybe just pass altogether and leave this one to "the pros"?

Is there a new way forward?

As a solution-focused organization, AIU saw the struggles experienced by agents in the hotel/motel space and wanted to fill the gap. They had a goal of bringing new property capacity to the hospitality industry and were looking to help hospitality-focused agents place those less-than-perfect locations in a smart and responsible way.

AIU's leadership team got to work. They decided to approach their carrier partners with a request to bring new capacity to the hotel/motel marketplace. With AIU's strong background in loss control and program management, the team felt that they had a great opportunity in front of them.

"There had to be a way out of this predicament," says Ben Goldberg, managing partner at AIU. "I knew there must be a way to benefit hoteliers, agents, and carriers alike. The challenge was getting our carrier partners to take the journey with us."

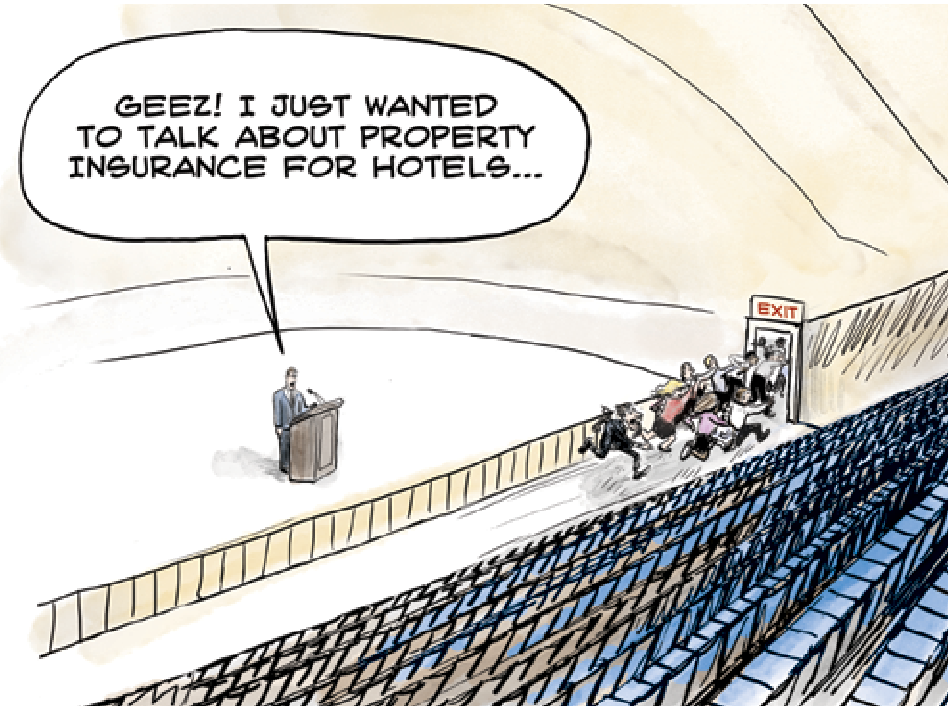
Creating a program focused on two- and three-star hotels and motels can be quite risky. So many programs come and go before we can blink. Why would A-rated carriers in good standing want to travel down that path?

The solution

"It all came down to our in-house underwriting and loss control processes," Goldberg explains. "Everything happens in-house in a streamlined and unique way. Our underwriters are well trained and know what to look for. They understand how to balance the risk of harder-to-place locations and how to make smart decisions.

"Our loss control team then continues the process by ensuring that every location we accept into our program is up to our carriers' required standards," he adds.

Trust. That's the secret sauce. When carriers see that their valuable capacity is respected and protected, they will return the favor. This is why AIU's programs renew successfully year over year, inclusive of desirable coverage and rates.



How do these processes positively impact clients?

These processes are extremely beneficial to AIU's agency partners, as well. Besides being able to provide clients with much-needed capacity, the team has the ability to work quickly so agents can get answers fast.

AIU's in-house producers assist in making sure that all their clients' needs are met and are there to guide their agents through all situations that arise. This personalized approach keeps clients happy and relaxed, knowing they can rely on the AIU team to get the job done. ■

Arden Insurance Services LLC

A Tech-Enabled MGA Powered by Human Intelligence

Arden Insurance Services LLC ("Arden") is a leading specialty managing general agency focused on residential condominium association insurance (“Association”). Since launching our Association coverage program in 2016, we have expanded our operations to 11 states and become one of the largest markets for Association coverage.

Arden’s business model combines product-specific expertise with proprietary underwriting and rating methodologies, enhanced by state-of-the-art technology. Our underwriters' deep knowledge of the Association space allows them to swiftly adapt to new information and shifting market conditions.

Arden offers our broker and carrier partners a unique value proposition by focusing on building strong, lasting relationships.

We provide our broker partners with a trusted market and valuable relationships. This is reflected in:

- **Selectivity:** We are particular about the brokers we appoint, maintaining a small distribution channel of professionals who focus on Association coverage.
- **Teamwork:** We work with our producers to give them winning quotes.

We provide our carrier partners with portfolios that consistently deliver underwriting profits. We achieve this through:

- **Innovation:** We work with our carriers in an ongoing process of refining our products and improving our performance.
- **Transparency**: We provide our carriers with real-time access to their portfolio of Association risk.

*“Arden's **exceptional expertise** and **superior customer service** enhance our client offerings. Arden's professionalism and ethical standards are exemplary." - CEO of California broker*

*“Arden's team is **responsive**, **collaborative**, and **proactive**, with unparalleled expertise in navigating complex regulations and tailoring solutions." - President of insurance company*

arden

www.ardeninsure.ai

EPIC Insurance Brokers & Consultants is among the **Top 15** largest brokers of U.S. business, placing more than **$1 billion** a year in premium with national, international and regional carriers. EPIC has a depth of industry expertise across key lines of insurance, including risk management, property and casualty, employee benefits, unique specialty program insurance and private client services.

FEATURED PROGRAMS

Cosmetics

Cosmetic Insurance Services (CIS), a division of EPIC, is the one of the nation's leading providers of insurance products to the cosmetic and personal care industry, with more than 1,700 clients nationwide. CIS is endorsed by the Independent Beauty Association (IBA), formerly the Independent Cosmetic Manufacturers & Distributors Association (ICMAD).

For over 40 years, CIS has provided exclusive access to cutting-edge insurance products and programs specifically tailored to fit the many diverse exposures their clients experience daily.
The staff continue to deliver comprehensive and cost-effective risk management programs backed by a robust loss control platform and specialized claim services.

Agents and insureds rely on CIS for:

- A dedicated service team focused exclusively on the cosmetics industry
- Specialization of insurance coverage forms
- Exclusive access to unique insurance programs and products
- Direct access to managing general agency underwriters
- Quick turnaround time on quotations
- Flexible payment options, including premium financing
- Engineering services, including safety plans and facility inspections
- Professional claims management
- Access to other insurance products, such as health, employee benefits, personal insurance and more

Psychoanalysis

The EPIC Psychoanalytic Program delivers some of the broadest coverage available in the U.S. for insuring psychoanalytic practices. Among other things, it is one of the only programs to provide medical professional liability to psychoanalytic practitioners on an occurrence basis. Clients in the EPIC Psychoanalytic Program cover a broad spectrum, from the recent graduate starting a new practice to the more experienced and established psychoanalyst groups.

As a testament to its value, EPIC's Psychoanalytic Program is endorsed by three major psychoanalytic associations: the American Psychoanalytic Association, the American Society of Psychoanalytic Physicians, and the American Academy of Dynamic Psychiatry.

The Psychoanalytic Program staff members are healthcare professionals trained to understand the insurance needs of psychoanalysts, including their business risk and professional liability exposures. EPIC's clients learn that the company serves as brokers and advocates for its insureds – their competitive advantage centers not only on their exclusive program, but the service platform built around it, including a hotline for loss control questions and advice. ■

For more information, contact **Kenneth C. Hegel Jr.** at **kenneth.hegel@epicbrokers.com** or **(201) 356-0057**


EXPOSURES ARE NOT ALWAYS
BLACK OR WHITE
For over 40 years, CIS has provided our clients with exclusive access to cutting-edge insurance products and programs specifically tailored to fit the many diverse exposures our clients experience daily.
499 Washington Boulevard, Suite #810
Jersey City, NJ 07310
kenneth.hegel@epicbrokers.com | (201) 356-0057
CIS
A DIVISION OF EPIC
EPICBROKERS.COM


Psychoanalytic Insurance Program
EPIC
Insurance Brokers & Consultants
Finding ways to improve your bottom line is easy with EPIC. With more than 40 years of experience dedicated to the needs of psychoanalytic, we help optimize your insurance strategy, from startup risk planning through claims management.
We appreciate the opportunity to serve you.
499 Washington Boulevard, Suite #810
Jersey City, NJ 07310
kenneth.hegel@epicbrokers.com | (201) 356-0057
EPICBROKERS.COM


Glatfelter
INSURANCE GROUP®
An AIG company

TURNKEY SOLUTION FOR SUCCESSFUL PROGRAM ADMINISTRATION

Mission Underwriters supports start-up program administrator business with the capital, reinsurance access, and operational and regulatory resources and assistance

Launching a program administrator (PA) business can be a time-consuming, daunting process of securing funding, connecting with reinsurers, and navigating a complex maze of regulatory and technical requirements. For that reason, the goal of Mission Underwriters is to remove the burden by providing a turnkey solution that helps new programs launch faster and more successfully.

Since its inception in 2021, Mission Underwriters has worked to provide the capital; reinsurance market access; and the operational, regulatory and technical resources needed for underwriters to launch and grow their own managed general underwriter (MGU) programs. Such turnkey efficiency has already helped over 20 MGUs get up and running, says Jim Dwane, Mission's CEO.

The Scottsdale, Arizona-based Mission Underwriters brings together all the elements needed to smooth the path for new PA programs, transforming underwriting capabilities with an intuitive, scalable digital infrastructure that is purpose-built and responsive to PA business needs. "What sets Mission apart from others is that we have one of the more comprehensive suites of services," says Dwane.

As a program administrator that almost behaves as a venture capitalist, Mission Underwriters supports everything from administration and technology infrastructure to risk, compliance, regulatory approvals and filings—even down to accounting, finance, human resources and benefits. "Fundamentally, we provide three things," Dwane says. "We provide the capital people need to start their own business. We provide the infrastructure—licensing, operational infrastructure including underwriting support, technology, finance, HR, marketing and augmented distribution. And we provide strategic advisory."

That type of turnkey efficiency, he says, gives qualified underwriting teams the support and boost they need to build a successful business. And it's working—Dwane says that Mission finished 2023 with just under $300 million in premium and expects to near half a billion by the end of 2024.

Such rapid success, he says, can be attributed to finding the right people and putting the emphasis on streamlining the startup process. "We learned really quickly what the important things are in terms of getting people into business fast. We put a real focus on condensing the timeline." That includes building the technology and applying all the regulatory and business-specific operations, such as forms and rating engines, that can help keep a business running smoothly.

The company's service-first model is designed to boost productivity to busy underwriting teams. Dwane says that customers get exceptional program implementation and execution as well as support during the process and going forward.

What customers can expect from Mission is not more of the same. "Our programs are heterogeneous," Dwane notes. "We are not doing a copy-paste. Every MGU we create does something a little different. Their program should address that." While Mission's competitors may deliver heterogeneous services, Dwane says, the customer experience that Mission delivers is "as frictionless and stress-free" as it can be.

What's ahead for Mission Underwriters? Dwane says the company looks to build upon their operational success by adding six or more new MGUs this year, with plans to continue that trend as qualified underwriter teams are identified. For underwriting teams that have the ability to generate distribution, Mission Underwriters could be the answer to getting a successful MGU program launched. ■

MISSION
UNDERWRITERS®

ONE80 INTERMEDIARIES

Leading the Way in Specialty Insurance

Launched just four years ago, One80 Intermediaries has rapidly grown to become one of the largest intermediaries in the U.S., earning recognition for its innovative and diversified approach. In 2023, *Business Insurance* ranked One80 as the 9th largest specialty intermediary and the 3rd largest MGA/Underwriting Manager/Lloyd's Coverholder in the country. With nearly 2,000 employees and offices across 55 locations in the U.S. and Canada, One80 offers an extensive range of insurance solutions, including National Wholesale Brokerage, National Program Practice, Contract Binding, Affinity Practice, and One80 Specialty Practice.

Strategic Growth and Diversification

"One80 was strategically designed to maintain an agile business model that delivers uncorrelated cash flows into the business," says Matthew F. Power, President of One80 Intermediaries. "This approach has enabled us to grow in an increasingly competitive environment, while remaining resilient to shifts in market cycles. Our diversified offerings not only spread revenue streams across various sectors, but they also allow us to respond swiftly to emerging trends, ultimately positioning us for long-term success."

Impressive 2023 Financial Results

In 2023, One80 experienced robust growth, earning $422M in revenue, maintaining over 115 carrier relationships worldwide, and managing 130 distinct programs with nearly $4.2B in in-force premium in program business alone. Many of these programs have been in place with its acquisition companies for more than two decades, further cementing our stability and reliability in the market.

"Our commitment to building strong partnerships with carriers across the U.S., Canada, and Asia has been a cornerstone of our success," adds Power. "We also maintain 18 coverholder agreements with Lloyd's, contributing more than $125M in premium, and reinforcing our global reach and influence."

Innovation in Product Development

One80 continues to lead the industry in product innovation. In 2023, it launched 12 new programs in the marine, transportation, and environmental sectors, and pioneered point-of-sale (POS) insurance solutions, including California homeowners coverage.

"By embedding insurance into the transaction process, we've created a seamless experience for our clients," says Christopher L. Pesce, National Programs Practice Leader at One80 Intermediaries. "Our initiatives, such as the Equipment Leasing Program and Recreational Marine and Power Sport Rentals, reflect our commitment to meeting the evolving needs of our customers and partners."

Industry Recognition

One80's excellence hasn't gone unnoticed. In 2023, the firm was honored with several prestigious awards:

- **Business Insurance:** 3rd Largest MGA/Underwriting Manager/Lloyd's Coverholder and 9th Largest Specialty Intermediary
- **Industry Tech Insights:** Top 10 Insurtech Solution Provider 2023 – Noah Flood
- **Program Manager:** 2023 Program Launch of the Year – One80 Charger Vessel Liability Program
- **Insurance Business America:** 5-Star Program Administrator – One80 Intermediaries

Our leadership team has also received individual recognition for their contributions to the industry:

- **World's Leaders Magazine:** Influential Business Leaders – Matthew F. Power
- **Inside P&C Honors**: 2023 Women in Insurance – Lenika Milne
- **Insurance Business America:** Top Specialist Wholesale Broker – Janet Elliott
- **Insurance Business:** Global 100 – Barbara Ingraham
- **Marine Dock Age Magazine:** Young Leader Award – Collin Zachariewicz

"At One80, we continue to prioritize innovation, resilience, and customer-centricity, which are the pillars of our sustained success," concludes Pesce. "As we look ahead, we remain committed to pushing the boundaries of what's possible in the specialty insurance space." ■

ONE80 INTERMEDIARIES

What is REInsurePro

Pronounced R-E-Insure-Pro, we are the solution to property and liability insurance challenges faced by independent insurance agents and their residential real estate investor clients. We offer custom-built insurance packages for retail agents with an added technology solution that allows them to quote, bind coverage, and service clients.

Challenges Facing Agents

Insurance companies in the property space consider investment property coverage high risk. Tenants of rental properties tend to take less care of a home than the owner would, and properties undergoing renovation or sitting vacant come with their own risk exposures. These factors, paired with several years of catastrophic weather losses, have hardened the market, making it difficult for agents to find comprehensive coverage at competitive rates for their clients.

Agents with investor clients also face unique challenges due to frequent changes in property portfolios. Let's look at a scenario for a client whose goal is to restore and sell a distressed property:

- The investor purchases the property, and their agent procures a Builder's Risk policy with 25% minimum earned premium
- After two months, the renovated property is put on the market
- The agent cancels the original policy, but the investor is only refunded back nine months of premium including the agent's commission
- The agent quotes a new vacant policy while the property is on the market
- When it's sold, the policy is canceled, and refunds again issued

This is a lot of back and forth for just one property. Imagine the same scenario for a client with tens or hundreds of properties that they are buying, selling, renovating, etc. REInsurePro simplifies and streamlines these processes for agents and their investor clients.

Flexible Coverage for Real Estate Investment Properties

- Coverage for tenant-occupied, vacant, renovation, and new construction properties of 1-20 units.
- Seamless coverage changes without the need to cancel and rewrite policies or issue refunds.
- Monthly reporting meaning recurring revenue for agents and no minimum-earned premium for clients.
- Flexible billing options – Monthly premium payments (through credit card or ACH), or the ability to pre-pay one year (including escrow and IRA) with payments applied monthly.
- Ability to insure Trusts, IRAs, LLCs, individuals, and corporations on one schedule.
- All coverage is underwritten by AM Best "A" rated or better insurers.
- Flexible and comprehensive property and liability coverage options to meet the needs of each individual investor.
- State-of-the-art technology platform to quote and bind coverage, submit to underwriting when required, and access to a Sales Manager to answer questions and help with complex portfolios.
- Marketing support with an online portal to customize and download pre-built materials to help drive business and close sales.

REInsurePro™

ROKSTONE

Agile MGU Platform Provides Carriers with Rapid Access to Specialty Markets

Rokstone Underwriting is an established international underwriting MGU and approved Lloyd's coverholder, providing brokers with specialist (re) insurance solutions. From a standing start in 2017, utilizing experienced front-line underwriters, proprietary underwriting models, and a supportive carrier panel, Rokstone has established itself as one of the largest global (re)insurance MGUs, writing in excess of $1.2 billion GWP.

Rokstone aligns interests across the transaction value chain, swiftly deploying capacity into diverse, uncorrelated markets. This grants carriers rapid access to niche portfolios through top-tier underwriting.

Best in Class Underwriting Teams

Rokstone recruits top underwriters to build specialty MGUs, offering brokers innovative solutions and carriers fast market access.

For best-in-class underwriting teams, Rokstone provides a Synergy model with equity ownership, empowering underwriting specialists to grow their business. Underwriters seeking independence can 'plug and play' into Rokstone, becoming founding partners in dynamic MGUs dedicated to niche lines, with full support to grow into leading market brands.

"We are an award-winning entrepreneurial team seeking like-minded underwriters to help build one of the world's most inspiring insurance businesses. We want specialty underwriters with a proven track record of profitable performance to join us on our journey," says Tony Lawrence, Chief Development Officer of Rokstone.

Carrier First Mentality

We are performance driven and operate with the inherent culture of an insurer and the agility and speed of an MGU. We protect carriers by providing our MGUs with the tools and knowledge to generate meaningful returns for our carriers and underpin growth into new lines.

Our MGUs have access to ADA, the world's first artificial data actuary, for quality-assured data and clear ULR performance insights across MGA portfolios.

Rokstone's Exposure Management team uses advanced tools like ExposureHub, GIS mapping, and AIR to monitor, evaluate, and mitigate potential losses, delivering detailed reports and empowering portfolio managers to understand and manage their risks effectively.

This Is Not Business As Usual

Rokstone were early adopters of low code digital distribution. We have a 'digital product factory' that spins up digital products in record time to keep pace with business innovation. They provide our MGUs with portals for brokers to log in and complete an online submission, which is enriched with data from leading third-party data providers, before being priced. The platform takes care of document production, and the policy data is sent via API to our core back.

Rippl, our bespoke in-house underwriting workbench, integrates fully with our pricing platform and supports property quoting to carrier partners. It enables global transactions, features enterprise document management, and is continually improved by our dedicated tech team—ideal for traditionally placed lines. ■

ROKSTONE

RISK PLACEMENT SERVICES SIGNATURE PROGRAMS

Where innovation meets precision and every challenge is an opportunity

RPS Signature Programs excels in delivering innovative insurance solutions and risk management services. With a client-focused approach and deep industry expertise, RPS Signature Programs provides tailored coverage, ensuring comprehensive protection and peace of mind for diverse businesses.

Risk Placement Services (RPS) has long been a powerhouse in the U.S. insurance landscape. Founded from the ground up in 1997 with just four employees, RPS has evolved into one of the nation's largest specialty insurance distributors, renowned for its breadth of services and market reach offering solutions in wholesale brokerage, binding authority, program administration and standard lines.

Among its numerous accomplishments is **RPS Signature Programs**. Headquartered in Rolling Meadows, Illinois, RPS Signature Programs includes over 40 niche program offerings spanning across areas such as workers compensation, construction, public entity, and sports. This extensive portfolio caters to a diverse array of specialized businesses and insureds, meeting their unique coverage needs with precision and care.

RPS's innovation is evident in its state-of-the-art online services, including a powerful quote-bind-issue platform. This advanced tool empowers independent agents and brokers to secure comprehensive coverage for their clients in mere minutes, revolutionizing the speed and efficiency of the insurance process.

Driven by a passion for delivering top-tier insurance solutions, RPS Signature Programs attracts and retains elite talent, ensuring that clients benefit from unmatched expertise and exceptional service. Whether addressing the most unique, emerging, or future insurance needs, RPS Signature Programs stands as a trusted partner in exploring what's possible.

Embrace the future of insurance with RPS Signature Programs—where innovation meets precision, and every challenge is an opportunity for groundbreaking solutions and unparalleled success.

RPS Signature Programs for your client's unique risks:

Public Entity

- **First-Dollar Public Entity (under 75,000 population):** Municipalities, cities, townships, water and sanitation, and special districts.
- **Large Public Entity (above 75,000 population):** Municipality populations and entities with a total risk cost in excess of $400,000.

Sports

- **Golf and Country Club:** Private golf and country clubs, semiprivate clubs, city clubs, golf course communities, tennis clubs, golf management companies, and national, state, and local golf associations.
- **Amateur Sports:** Youth and adult teams, leagues, tournaments, sports camps, and clinics.

Health

- **Social Services:** Foster/adoption placement agencies, drug and alcohol rehab facilities, sober living, senior homes, group homes for the developmentally disabled, home healthcare, outpatient hospice care, crisis hotlines, and shelters.

Workers Compensation

- **PEO & Temporary Staffing:** Specializes in professional employer organizations (PEO) and temporary staffing programs countrywide, with a broad class code appetite. Guaranteed cost, intermediate, and high-deductible options.

Construction

- **Crane and Rigging:** Crane rental with operator, bare crane rental, rigging, millwright, and specialized transportation.

Contact:
+1.866.595.8413
contactRPS@rpsins.com
RPSins.com/signatureprograms

RPS® SIGNATURE PROGRAMS

ELEVATE YOUR WORKFORCE

Program administrators can engage students to build organizational strength

By Elisabeth Boone, CPCU

In a Target Markets Professional Administrators Association presentation titled "Elevate Your Workforce: Accessing Student Talent," Tandeka Nomvete, director of external engagement at the Spencer Educational Foundation, led a lively discussion about recruiting talent at the high school and college levels.

Panelists were Whitnee Dillard, executive director of the Big "I"'s National Invest Program; Tony Chimera, chief talent officer at Westfield Specialty; and Vionie Beaunissant, client service specialist at the Baldwin Group and MBA student at South Florida University.

"Let's start our discussion at the high school level with Whitnee Dillard," said Nomvete.

"The Invest program helps young people learn about insurance careers, and it also provides a first step into their overall understanding of insurance," said Dillard. "Something that we are privileged with now that we weren't when Invest started in 1970 is that a lot of states are including insurance education as a part of their financial literacy requirements.

"We encourage insurance professionals to visit our website (investprogram.org/careerstogo) and access a wealth of resources that you can download and present during school career days," Dillard explained. "One presentation highlights the 49 different careers across insurance. All of these resources can also be customized as you see fit."

Nomvete then shifted focus to creating awareness about career opportunities, especially in the program space. "Take the opportunity to visit the Invest site, which has numerous letters you can customize to fit your needs," she advised. "You can send them to high schools in your area and follow up with a phone call to the principal to offer additional information and request an appointment.

"You'll likely be given the opportunity to present your information directly to students; and if you have children in the school, ask them to help you promote your message to their peers," Nomvete added. "Maybe you'll get five minutes, or even 30 minutes, to present your information to middle school or high school students, just to plant that seed in their minds," she asserted.

Nomvete asked how industry professionals can effectively engage students and teachers and develop a long-term partnership with the high school. Beaunissant responded with some simple advice: "Make a commitment to show up and be consistent.

"When I was in high school," she added, "my teacher invited accounting professionals to visit our class and share information with us. That sparked my interest in accounting and enabled me to pursue a career in that industry."

Providing students a meaningful connection is so important, Dillard said. "Invest has been around for so long because of its emphasis on humanizing our industry as opposed to its just being an insurance curriculum."

College level

The conversation shifted to postsecondary students, "and we'll start with Vionie because she's currently in college," Nomvete said. "Why do you think that most of the students

"You can send (career information) to high schools in your area and follow up with a phone call to the principal ... . You'll likely be given the opportunity to present your information directly to students ... ."

—Tandeka Nomvete
Director, External Engagement
Spencer Educational Foundation

"Look at these students as future leaders and not as kids. They can even serve as your research and development arm for certain tasks. Also, if you're not in a position to do an internship, mentorship goes just as far."

—Whitnee Dillard
Executive Director
National Invest Program

in business fields are applying for jobs in industries other than insurance, like accounting, economics, or finance instead of insurance and risk management?"

"I think it's a question of lack of exposure," Beaunissant replied. "As an accounting student, I learned about organizations that encourage students to pursue careers in other fields, but not in risk management and insurance."

Nomvete offered practical advice on connecting with colleges and universities that have insurance and risk management programs. "Reach out to Spencer!" she said. "We have connections with professors and students in all schools with RMI programs.

"For the schools that don't yet have RMI programs, we can help them build risk management and/or insurance 101 courses," she added. "We'd be happy to facilitate introductions for you to go on campus and talk about your careers in the program business. We also provide funding for professors so students can learn outside of the classroom. This way students can interact with working professionals and learn about internship opportunities in our industry."

Nomvete asked fellow panelists for ideas on engaging faculty and students to create a long-term partnership. Chimera responded: "We need to view this as an investment. Within our companies, we need to provide students with a true picture of the industry and create an internship program.

"We have a talent and an attraction problem, and we need to present

"Be relatable, and don't use Gen Z language. Be friendly and make it comfortable for students to engage with you. Be ... authentic. Present yourself as someone who is willing to help—in fact, happy to help."

—Vionie Beaunissant
Client Service Specialist
The Baldwin Group

students the opportunities available in our industry," he added. "Getting to know the students is an effective way to convert them into employees. Be present and tell a compelling story about the industry."

Practical counsel

On the next topic—best practices—Chimera advised: "If you're on campus, be realistic about the possible outcomes. Don't oversell the opportunities. And follow up, even if you have no opportunities. We can place students in other organizations.

"We have relationships with organizations like TMPAA, the Spencer Educational Foundation, Gamma Iota Sigma, WSIA, and other entities that do a lot of investment," he added. "It's our industry, not just our company. Get to know the students; if they participate in an internship program, you can learn from them as they're learning from you."

Said Dillard: "Look at these students as future leaders and not as kids. They can even serve as your research and development arm for certain tasks.

"Also, if you're not in a position to do an internship, mentorship goes just as far," she added. "You don't have to have everything perfectly figured out, but the time you are connecting with a young person goes a long way, even if it's not in an official capacity.

How should reps act when they call on students on the campus? "Be relatable, and don't use Gen Z language," said Beaunissant. "Be friendly and make it comfortable for students to engage with you. Be down to earth and authentic. Present yourself as someone who is willing to help—in fact, happy to help."

Another question: What are some other ways to access potential future talent? "If you don't have the bandwidth to connect with every high school and college in your area, consider investing in the organizations Tony mentioned," Nomvete suggested. "Reach out to the Spencer Educational Foundation, Invest, and The Alliance CISR program. They

"[W]e need to present students the opportunities available in our industry. Getting to know the students is an effective way to convert them into employees. Be present and tell a compelling story about the industry."

—Tony Chimera
Chief Talent Officer
Westfield Specialty

can help with virtual presentations, and they can use donated funds to provide scholarships."

What's more, she continued, "We have a strong presence on LinkedIn, and we encourage you to interact with our social media posts. Every like, comment, and share can help us broaden our audience and reach more students."

What is Chimera's company doing to attract young people? "We're active on the campuses and get to know the students. We have a regional strategy, and we do a lot of outreach; we offer webinars, mentoring, and virtual or live sessions in the classroom.

"We're here to provide information to help students make good decisions, and ideally they'll choose our industry," he said. "We look for opportunities to celebrate our interns. When they start, we post their photos and information about where they come from."

Forming a program

Where is a good place to start an internship program? "One of our needs as an industry is diversity on all levels," Chimera responded. "Start small and solicit feedback. What outcome do you want?

"It's important to be intentional about making that a good experience for the student," he added. "With any early talent, tie them to someone in your organization whom they can go to with questions or problems. That's probably going to lead to a successful outcome."

"To create a meaningful experience, don't give the interns busy work," Beaunissant said. "Give them work that will contribute to your organization and that will be presented to clients. That challenges interns to be creative and come up with ideas that will benefit your organization."

"There is a cost involved," Chimera said. "What's the benefit? We should look at it as an investment. Let's say an intern works for you for 40 hours a week and you pay him or her $20 an hour. That's $8,000. If you hire the individual, you'll recoup that amount many times over. Our interns bring legitimate ideas and they'll challenge things that a 20-year professional would never think of."

"If you're having trouble finding good candidates, you can reach out to us," Nomvete said. "We have connections to colleges and universities across the U.S. and Canada. We can mention your internship opportunities in our newsletters and post them on LinkedIn. We can absolutely help you fill those roles."■

Note: Comments in this article have been edited for brevity and clarity.

The author

Elisabeth Boone, CPCU, is a freelance journalist based in St. Louis, Missouri.

CARRIER INDEX

Customer-centricity: The new competitive edge

As the world becomes more digital, the bar for customer experience across consumers and small businesses alike is inching ever higher. Meeting these expectations, however, is another matter entirely. The desire to meet this new standard of customer expectations is just one of the drivers behind the revolutionary growth in the MGA market.

AI: Turning data into delight

The insurance world is buried under mountains of data – but historically, it hasn't been fully leveraged. In fact, data often never makes it from the prospective policyholder to the specialty underwriter – never mind the ultimate risk-bearer. But AI transforms potential into performance. At Accelerant, we've built a proprietary ingestion engine that enables unprecedented transparency in data. Our portfolio-level risk monitoring actively identifies unexpected variances across the millions of policies on Accelerant's Risk Exchange. And our Large Language Model (LLM) claims assessment, which analyzes raw claims event data, is able to reduce claims expenses and increase recoveries by up to 300%. This better performance means better loss ratios, better access to capacity, and better support for growth. That lets MGAs focus on serving customers, predicting what they'll value next, and innovating on products thanks to more diverse sources of capital and risk appetite.

Transforming everyday interactions into genuine moments of connection and problem-solving is key. This approach can completely change the way specialty insurers serve their clients, boosting customer satisfaction.

Empowering MGAs with the right tools

At Accelerant, providing access to our advanced tools means equipping our Members with capabilities that not only enhance their operations but also transform their customer interactions. It's not just theory; it's proven by the success of our Members. Here are just a few highlights:

LIPCA: As a leader in pest control insurance, LIPCA has used our platform to dramatically speed up their policy issuance process. The integration of tailored data analytics has enabled them to offer precise coverage options that are directly aligned with their clients' specific business risks. This responsiveness and customization have made LIPCA a trusted provider, enhancing client satisfaction and loyalty. They've turned challenging underwriting decisions into streamlined, straightforward procedures, effectively boosting their operational efficiency and customer retention.

Rainbow: Specializing in restaurant insurance, Rainbow has mastered the art of customer service by leveraging our risk assessment tools and predictive analytics. This has allowed them to not only meet but anticipate the unique needs of their clients, offering solutions that are meticulously tailored to each business's circumstances. Our platform facilitates a deeper understanding of client requirements, which translates into faster claims processing and more accurate risk evaluations. This proactive approach has significantly enhanced client satisfaction, with Rainbow experiencing a marked increase in client retention and engagement.

Looking forward, the insurance industry is at a key inflection point on its journey to customer-centricity. How will you move forward?

ACCELERANT

AF Specialty

"We don't take a traditional approach; instead, we opt to view program opportunities across a spectrum of risk, which allows more flexibility for our partners to achieve their goals."

Rated "A" (Excellent) by A.M. Best, AF Group is a nationally recognized holding company whose affiliated insurance companies are premier providers of specialty insurance solutions offered through independent agents and brokers nationwide.

Part of AF Group's family of brands, AF Specialty was established in 2017 to provide fronting capacity and captive solutions to insurance carriers, managing general agents and captive managers in all 50 states.

AF Group's 2023 acquisition of AmeriTrust Group (formerly, Meadowbrook) added expanded capabilities, staff and resources to AF Specialty – and contributed to their (2023) year-end $3.2 billion of gross written premium.

"With the integration of these programs and capabilities, AF Specialty now provides a full suite of program solutions, from fronting, risk-sharing and fully-insured operations," commented Walter Matthews, Vice President of AF Specialty.

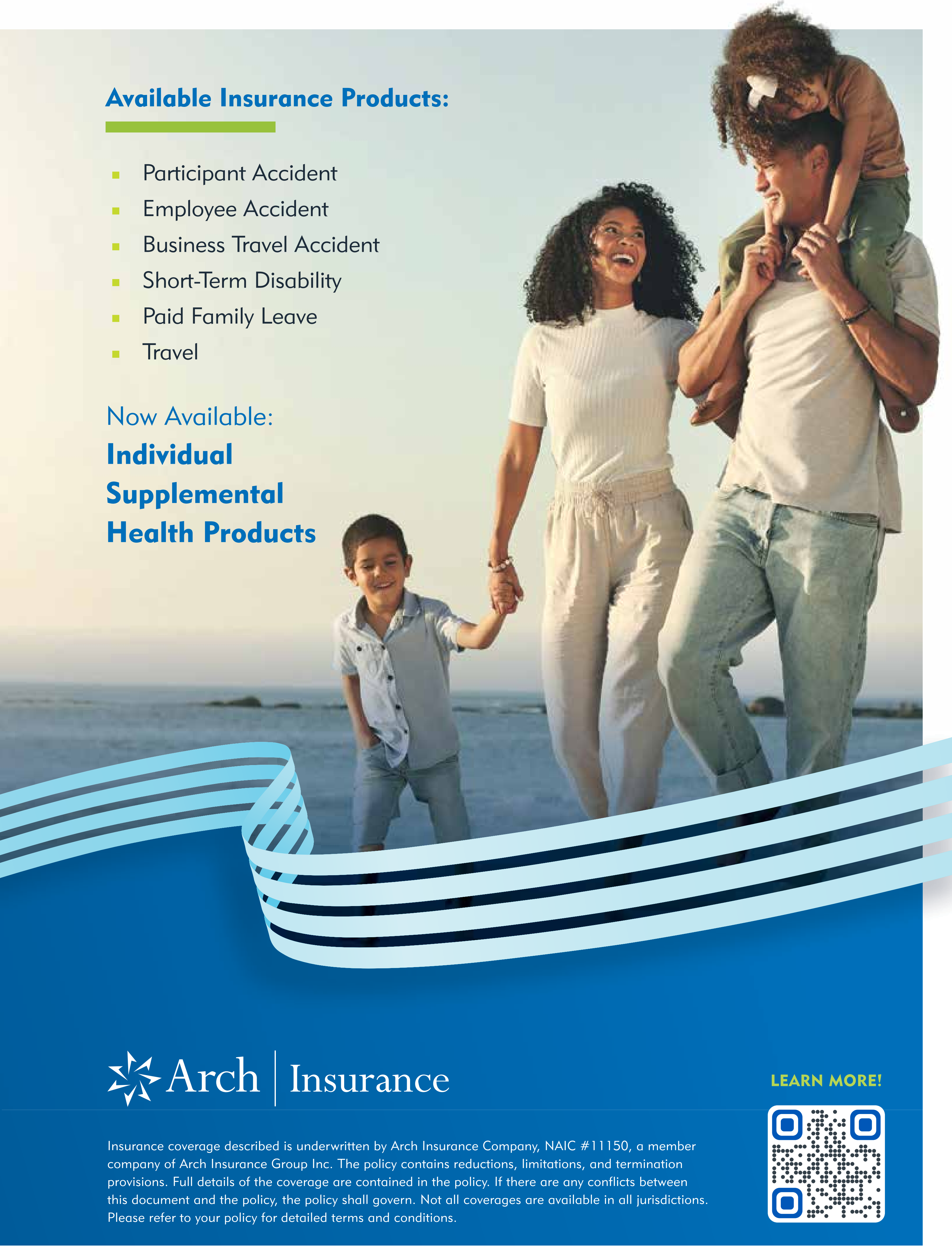
Through AF Group subsidiaries, AF Specialty provides partners access to multiple A-rated carriers (financial category size XIV), allowing the company to write admitted and non-admitted business on a national platform.

"We look to our partners as the 'best-in-class' experts in their specific industries," Matthews continues. "By outsourcing production, systems and claim handling to these specific partners, we have created a flexible and efficient business model – backed by our highly rated carriers and corporate home office functions."

Supported by superior in-house underwriting and claims management oversight, actuarial support and flexible reinsurance structures, AF Specialty is a go-to facility for placing well-managed, turnkey commercial property and casualty programs.

"We don't take a traditional approach; instead, we opt to view program opportunities across a spectrum of risk, which allows more flexibility for our partners to achieve their goals."

For more information, visit AFSpecialty.com.


Available Insurance Products:
Participant Accident
Employee Accident
Business Travel Accident
Short-Term Disability
Paid Family Leave
Travel
Now Available:
Individual Supplemental Health Products
Arch | Insurance
LEARN MORE!
Insurance coverage described is underwritten by Arch Insurance Company, NAIC #11150, a member company of Arch Insurance Group Inc. The policy contains reductions, limitations, and termination provisions. Full details of the coverage are contained in the policy. If there are any conflicts between this document and the policy, the policy shall govern. Not all coverages are available in all jurisdictions. Please refer to your policy for detailed terms and conditions.

FLEMING INNOVATES LEGACY THROUGH CAPITAL SOLUTIONS/REINSURANCE FINANCING

Fleming Insurance Holdings ("Fleming") is a specialist reinsurer founded by Fleming Corp. and backed by Altamont Capital Partners, a private investment firm based in the San Francisco Bay Area with more than $4.5 billion of assets under management. Fleming's management team has extensive experience in capital strategies for (re)insurance companies across the U.S., Bermuda, Cayman, the U.K., and European Union. Collectively, the team has successfully completed over 60 legacy or run-off transactions globally.

The landscape of run-off/legacy reinsurance has been challenging over the last decade. This was a result of various macro economic contributing factors, but primarily stemmed from increased competition combined with a homogenous product offering. Participants sought to distinguish themselves by size, reputation and experience, but ultimately the primary differentiating factor was price. This led to significant losses for the legacy providers, their counterparties and the capital supporting each of them.

Fleming was founded to be the catalyst that changes the paradigm of legacy reinsurance. Our goal was to differentiate ourselves by providing a superior product that counterparties found beneficial. Our PlannedLPT™ solution moves away from exposure focused transactions and concentrates on supporting our counterparties though providing alternative capital, while also reducing exposures. The primary counterparty benefits are:

Speeding up the revenue cycle

By releasing capital currently tied to legacy reserves, clients can reinvest these funds to underwrite new, profitable business. This reinvestment can result in increased Gross Written Premium (GWP) and/or Net Written Premium (NWP). By "recycling" capital more quickly, the same "dollar" can be repeatedly used to generate more revenue.

Optimizing capital

A PlannedLPT™ transaction can optimize the value and timing of capital. By recycling capital, it supports growth and prevents dilution. Additionally, the timing of these transactions can be aligned with the client's capital planning projections, offering a flexibility that external capital sources typically do not provide.

The combination of these benefits is accretive to the bottom line (including PlannedLPT™ costs), resulting in a more efficient use of capital and significantly increased ROE. This will have a huge positive impact on enterprise value.

Outside of the primary benefits there are significant secondary benefits associated with a PlannedLPT™ transaction:

Reduced exposures

As with any legacy transaction, PlannedLPT™ assumes liabilities to reduce cedant exposures.

Pricing certainty

Another significant benefit to counterparties is the improvement in pricing.

1. Known and consistent pricing methodology for future transactions.
2. Favorable pricing compared to a one-off transaction as a result of the improved risk profile.
3. Experiential pricing and relationship familiarity offer ongoing pricing certainty and improvements at renewal, as the asymmetry quotient reduces over time.

As a result, PlannedLPT™ pricing is more favorable than typical legacy transactions.

Alignment of interests

Our focus on partnership relationships is a key characteristic that transforms a legacy deal into a mutually beneficial structure. Drawing from the traditional reinsurance industry, we include terms such as a small coinsurance retention, profit share/sliding commissions, recurring capacity and future pricing adjustments to reflect historical performance.

Operational efficiencies

Our solution offers two key operational benefits:

1. Reduces resource demands from the existing book of business, allowing resources to be redirected toward growth.
2. Recurring deals create a more efficient transaction process that can be repeated with minimal impact on the cedant's team.

PlannedLPT™ generates valuable economics for counterparties, reduces uncertainty, improves pricing, and mitigates risks. It ultimately optimizes the cost of capital across the sector, creating a synergistic solution where both reinsurers and cedents benefit, making the entire system more efficient and effective.

The PlannedLPT™ solution is designed to support mid-sized (re)insurance companies. Its flexible structure offers benefits to any entity aiming to optimize capital, including but not limited to (re)insurance companies, fronting carriers, captives, corporates and MGAs looking to retain some risk. ■

PlannedLPT™ transactions are the next step in the evolution of legacy reinsurance.
For additional information contact ehaller@flemingih.com.


Focus on Growth
Experienced in execution and creative in approach
Get predictable access to capital
Optimize your balance sheet
Reduce exposures

Niche Industries, Expanding Opportunities

Powering partnership in the program market

The program marketplace is booming. Amid ongoing demand for specialized coverage solutions in niche industries, insurers' shrinking appetites for high complexity exposures created unprecedented demand for program solutions. As a result, the U.S. market for managing general agents has doubled since 2018, reaching a staggering $102.1 billion in 2023. In fact, more than 800 active MGAs working in property-casualty placed over $80 billion in premiums in 2023 alone.

For example, consider marinas, a business with particular insurance needs. Sometimes, business owners in this industry slowly find themselves shut out of the standard lines market, as property-casualty underwriters struggle to understand uncommon exposures or offer optimal coverage. Other times, operators in niche industries like this one recognize that they can solve their coverage challenges by coming together as their own specific market.

This is the space where MGAs, managing general underwriters and program administrators shine, filling the gap in the property and casualty space with specialized solutions. And, of course, it's not just marinas. Home inspectors, franchise car dealerships and other niche professionals are part of an increasing number of businesses that are beginning to seek a more personalized level of specialization. As a result, there is immense growth potential that is expected to continue to outpace that of the overall property and casualty market.

The program experience you seek

In this ever-evolving landscape, your expertise and niche specialization have never been more critical. And finding the right partner is key to realizing the full potential of this unprecedented market. That's where The Hanover, a knowledgeable carrier that is fully aligned in providing support for your program, across underwriting, actuarial, product, marketing, claims, risk management and more, can help. From planning to execution, The Hanover works with you to ensure products and workflows are tailored to your needs, through:

- **Experience with risk purchasing groups**—If you're looking to optimize coverage and pricing, we have deep experience structuring solutions for RPGs.
- **Policy data exchange solutions**—Beyond our web-based underwriting platform, you can leverage APIs to enable a seamless data exchange between your agency management system and The Hanover, as well as a bordereau to report the status of business.
- **A best-in-class service center**—Our dedicated specialty team can take the responsibility of servicing and nurturing professional liability and marine clients, freeing up your time to concentrate on new revenue opportunities.

The partnership you need

Through traditional, programmatic and fee and fronting business, we are here to help you thrive in the long-term, with:

- **Dedicated underwriting divisions**—Programs teams within our specialty property and casualty, marine and professional liability underwriting divisions are solely focused on supporting your business.
- **Broad appetite**—We build programs for all types of homogeneous groups with similar coverage needs, from start-ups to large accounts. We can also build a program based on your area of expertise, affiliation or association relationship, or opportunity to grow in a specific niche.
- **Expansive product portfolio**—We offer a range of commercial lines and specialty lines products on an admitted and non-admitted basis, which can be customized and used to craft standalone or account-focused solutions for your clients.
- **Diverse program structures and flexible underwriting**—Commission slides, profit-sharing and traditional guaranteed cost programs can be employed on a program-by-program basis, as well as delegated underwriting authority and niche transactional underwriting arrangements.
- **Valuable technology solutions**—Our web-based suite of tools enables real-time interactions, not just for underwriters, but also for service, endorsement processing, billing, claims and MIS.
- **Wide-ranging management and claims services**—Risk mitigation offerings include client training, drone surveys, discounts on safety products, and more. Claims support is provided by dedicated, in-house teams or via a third-party administrator.

With you, every step

Partnering with The Hanover is your key to success in the ever-expanding program space. Together, we can unlock opportunities and propel your business to new heights.

hanover.com

Reader Service Card No. 570

MS TRANSVERSE

Specialty insurer's financial strength and underwriting capacity poised to grow after acquisition

MS Transverse is a leading specialty insurance provider that partners with MGAs, program administrators, and general agents to provide a broad range of personal and commercial lines P-C products on an admitted or non-admitted basis.

The company was launched in 2018 by Vice Chairman Erik Matson and CEO Dave Paulsson. Erik was the CEO of MS Transverse from its founding through its sale to Mitsui Sumitomo Insurance Group in 2023 and transitioned to the vice chair role in July 2024.

Dave Paulsson, current CEO of MS Transverse, served as president through the sale to Mitsui Sumitomo Insurance Group, taking on the CEO role in July of 2024. Prior to co-founding Transverse, Dave spent 15 years investing in private companies and funds on behalf of banks, asset managers, and family offices.

His final role was as portfolio manager of Paragon Outcomes, a $1.5 billion multi-family office with a broad portfolio of investments in insurance and other industries. On behalf of Paragon, he also served on the advisory boards of numerous asset management platforms, including funds managed by Fortress Investment Group, Atalaya Capital Management, MC Asset Management, and DYAL Capital Partners. Dave also holds CFA and CAIA designations.

John Fitzgerald was appointed president in July of 2024, having served as MS Transverse's CFO since joining the firm in the beginning of 2021. John has spent 25 years in and around the P-C insurance industry, serving in financial leadership roles at ProSight Specialty during its IPO and QBE North America during a period of significant M&A activity prior to joining MS Transverse. He began his career in Ernst & Young's insurance practice with a focus on large P-C organizations, including Liberty Mutual and The Chubb Corporation.

Since its launch, MS Transverse has grown to more than 80 employees in four U.S. locations: New Jersey, New York, Texas, and California. Since its inception, MS Transverse has seen disciplined growth and now has more than 25 strategic partnerships nationwide. All the while, MS Transverse has retained its marketing and underwriting discipline, indicated by its A.M. Best rating rising from "A-" to "A" during 2023. In both 2022 and 2024, the company was named "Fronting Carrier of the Year" by *The Insurer*.

The group's financial strength and underwriting capacity are poised to grow even greater since it was acquired in January 2023 by MS&AD, the holding company for global insurer Mitsui Sumitomo. The A.M. Best "A+" rated carrier is one of the largest insurance organizations in the world by asset size and is positioned well for growth in North America. Mitsui Sumitomo also provides MS Transverse operating companies with a financial guaranty.

Apart from the knowledge and capabilities of its team, MS Transverse's success is built upon its unique position as a "hybrid" fronting carrier that can assume risk and share in the performance of a program or portfolio. By doing so, MS Transverse aligns its interests with those of its more than 100 reinsurer relationships.

"We believe a successful program is based on a carefully constructed 'three-legged stool,'" says Ric Victores, senior vice president and head of business development. "Three parties—the MGA or program administrator, the carrier, and the reinsurer—are each critical to success, and should have a common stake in the performance of a program."

To that end, MS Transverse provides a wide range of technical skills, including expertise in underwriting, product development, actuarial and financial analysis, compliance, and claims administration. In all, MS Transverse functions as a key facilitator that enables its partners to access expanded risk capacity and alternative capital. ■

For more information, visit: www.MStransverse.com

MS transverse

THE QBE PROGRAMS DIFFERENCE IS BUILT ON TRUST

30-year track record of driving profitable results for our partners

QBE's relentless focus on finding and nurturing the right partnerships has made QBE a Program industry leader. Together, with our Program administrators, wholesalers and retail brokers, QBE provides meaningful alternative risk management solutions to meet our customers' unique needs, establishing an ongoing end-to-end value stream that generates profitable growth for all parties.

QBE's Program Business provides property, workers compensation, professional liability and other hard-to-place risks and insurance solutions in challenging markets. Programs range from $20 million to $250 million in gross written premium and are supported by dedicated program managers and unique claims expertise if needed.

Lasting partnerships focused on profitable growth

For the past 30 years, QBE has forged highly collaborative partnerships with accomplished Program Administrators. Our average Program partnership duration is over 14 years, with many surpassing 20 years. This enviable longevity is a testament to QBE's highly experienced Program Managers and the trust that is built over years of providing meaningful, alternative risk, management and service solutions.

QBE has onboarded three new Program Administrators in the last year, an impressive achievement in the Programs market. The specialist expertise, dedication and commitment of our partners is a major reason our growing Program Business generates over $1 billion of in-force annual premiums.

A unique perspective

Our value proposition to current and future Program Administrators is to provide an environment where they can do what they do best: profitably grow their business while protecting QBE's capital. To enable this strategy, we look for partners with specialized expertise, access to distribution and demonstrated underwriting and claims capabilities that can quickly scale to $20 million in gross written premiums.

If needed, our Program partners can also leverage the resources of our Underwriting, CAT Modeling, Claims, Actuarial, Loss Control, Premium Audit, and Reinsurance teams. At the heart of it, it's about collaboration and bringing the right people to the table to drive value for QBE, our partners and our customers.

About QBE North America

QBE North America, part of QBE Insurance Group, Ltd, is a global insurance leader committed to helping customers solve unique risks. Each day, we strive to give our customers the confidence to explore, innovate and take measured risks, secure in the knowledge they are covered by a strong insurer. QBE insurance companies are rated "A" (Excellent) by A.M. Best and "A+" by Standard & Poor's.

A Gold Sponsor of Target Markets, QBE is a proud participant of WSIA, PLUS, CIAB and other established industry conferences.

Additional information can be found at www.qbe.com/us, or contact us at Programs@us.qbe.com. ■

QBE®

SKYWARD SPECIALTY

Nimbleness enables firm to go to the market and pursue a variety of opportunities

Skyward Specialty (NASDAQ: SKWD) is a rapidly growing and innovative specialty insurance company, delivering commercial property and casualty products and solutions on a non-admitted and admitted basis.

Founded in 2006 under a different name, Skyward Specialty took its current name in 2020 and went public in January 2023. Today, the company manages $1.5 billion in gross written premium, is #9 on S&P Global's list of top 25 U.S. P&C insurers and has a financial strength rating of "A" (Excellent) with a stable outlook from AM Best.

Based in Houston with 540 employees nationwide, Skyward Specialty includes four "A"-rated subsidiary insurance companies—Houston Specialty, Imperium, Great Midwest, and Oklahoma Specialty—operating through eight underwriting divisions: accident and health, captives, global property and agriculture, industry solutions, professional lines, programs, surety, and transactional E&S.

Skyward Specialty's underwriting operations are supported up by an extensive enterprise data warehouse and other technology investments and backed up by an ability to manage claims internally or through a third-party administrator arrangement.

As a risk-bearing entity, Skyward Specialty has credibility with its reinsurance partners that provides value and demonstrates longevity to its distributors and insureds. This is especially the case in lines and classes of business where Skyward Specialty has distinguished itself as a premier provider of coverage, including aviation, cannabis, earthquake and flood, Defense Based Act, transactional risks and trade credit.

Skyward Specialty's principal leaders in program business are Kirby Hill, president of captives, programs, and alternative risk; and Ryan Burke, senior vice president of programs.

Kirby joined Skyward Specialty in 2010 with the acquisition of Imperium and Houston Specialty and has more than 30 years of experience in all facets of the insurance business, including agency, captive and underwriting operations. "One of Skyward Specialty's significant strengths is our strategic capability to capitalize on current market conditions and opportunities," he says. "Our team has repeatedly demonstrated the ability to step in and design and launch new programs quickly. There are not many companies that can say that."

Ryan joined the company in 2021 after tenures with Swiss Re and Travelers. He has extensive experience managing risk in diverse territories, industries, and product lines, with an emphasis on first-party lines. He has managed large Fortune 500 accounts, as well as individual facultative risks and global ceding programs, working through retail brokers, wholesalers, program administrators, risk purchasing groups and captives.

"We are steadfast in our focus on leading in the select markets where we do business," Ryan says. "We are always looking for opportunities in dislocated sectors where the risk profile and our nimbleness enables us to go to the market and pursue a variety of opportunities, really setting Skyward Specialty apart in the marketplace."

SKYWARD
SPECIALTY INSURANCE

SECURING YOUR BUSINESS

The power of restrictive covenants

By Elisabeth Boone, CPCU

In today's competitive business landscape, safeguarding company interests is paramount. Program administrators had the opportunity to learn about the critical role of restrictive covenants in protecting their business. The venue: a panel discussion that delved into the various types of restrictive covenants, their legal framework, and best practices for implementation and enforcement. John Colis, chief executive officer of Euclid Program Managers, led a discussion of restrictive covenants as they apply to program administrators.

Diana Estrada, a partner in the law firm of Wilson Elser and a co-chair of its employment practice group, helped lay the groundwork. "In a traditional non-compete agreement, a worker agrees that after he or she leaves the employer, he or she will not go to a competitor or start a business that competes against the employer.

"In a non-solicitation agreement, the employee agrees that should he or she leave, he or she will not raid the employer's employees, vendors, or clients," she continued. "In a confidentiality agreement, the employee agrees not to reveal business confidences to competitors or others outside the employer's business.

"A less common agreement is the garden leave agreement in which the worker stays with the employer for a set amount of time during which he or she receives a salary and agrees not to compete with the employer," Estrada noted.

In April of this year, the Federal Trade Commission issued the Noncompete Clause Rule banning post-employment noncompete agreements nationwide. Assuming it withstands legal scrutiny, it will not only ban the future use of noncompete agreements, but it will also void existing post-employment noncompete agreements, with the exception of those agreements entered with senior executives prior to the Rule taking effect.

The Rule does have some express exceptions. The first is the sale of business exception. If an owner or substantial shareholder sells their shares back, the employer can have them enter into a noncompete agreement.

"The second express exception to the rule is if the employer has an existing cause of action seeking to enforce a non-compete agreement, which existed before the FTC rule goes into effect, that can still move forward," Estrada said.

"The third express exception is called the good faith belief: If the employer has a good faith belief that the non-compete agreement with an executive or employee does not violate the FTC rule," she continued.

Asked if she thought the FTC rule would survive, Estrada said no. She pointed to lawsuits that have been filed to challenge the rule.

"In California, where I practice, at the beginning of this year the legislature said that no person can enter into a non-compete agreement, and other states have introduced restrictions against these agreements," Estrada said.

"We use restrictive covenants in the businesses we own, as well as with production underwriters and business development specialists."

—Matt Sackett
Chief Executive Officer and Co-Owner
DOXA Insurance

"The non-solicitation agreement is the most practical and most enforceable. Most of the companies we acquire have these agreements in place."

—Chris Pesce
National Program Practice Leader
One80 Intermediaries

"In a confidentiality agreement, the employee agrees not to reveal business confidences to competitors or others outside the employer's business."

—Diana Estrada
Partner and Employment Practice Group Co-Chair
Wilson Elser

Colis asked Chris Pesce, national program practice leader of One80 Intermediaries, if he used non-solicitation agreements, if he sees them being used in the companies his organization is acquiring, and if so, who is being covered.

Pesce responded, "The non-solicitation agreement is the most practical and most enforceable. Most of the companies we acquire have these agreements in place. This component has an economic value tied to the program administrator's business.

"That's one of the concerns we have about this potential FTC ruling," he added.

Those impacted, Pesce said, are "production underwriters. Renewal underwriters typically are not covered; they're just processing the business. Production underwriters have access to all the data associated with an account, so we make sure they're covered by a non-solicitation agreement.

"The non-solicitation agreement is the most practical to enforce," Pesce continued. "Our goal is not to keep anybody out of the business, but if you want to leave, you can't take our book of business with you. It's a mixed bag whether underwriters have non-solicitation agreements; most of ours do. It's common in the wholesale broker space.

"We're more protective of a business we acquire, he said. "We won't not acquire a business in California, but we will proceed carefully given the situation because there's nothing to stop them from walking out the door."

Matt Sackett, chief executive officer and co-owner of DOXA Insurance, agreed with Pesce about not allowing an employee to take the book of business when leaving a company.

Sackett discussed the use of restrictive covenants. "We use restrictive covenants in the businesses we own, as well as with production underwriters and business development specialists. From an acquisition standpoint, we're paying for forward earnings on a business. If we're paying a multiple of nine or ten times EBITDA, we hope that business will grow.

"The multiple gets smaller over time," he added, "but that's hard to do when you're questioning how protected that business is. Outside of an agreement, we look for how many points of contact within the business there are for a particular client because it's not always one relationship that keeps the business but several."

What about a broker? Colis posed a question to the panel: "If an employee who is covered by a non-solicitation agreement decides to leave the company and does not take the business but is approached by a broker, does the non-solicitation agreement have any effect?"

Replied Pesce: "It depends on the size of the book of business and how aggressively I want to go after it. If I bought a book of business and someone tried to do that, I would go after what was written in the contract and get every amount of protection I possibly could."

Asked Colis: "Does a non-solicitation agreement cover just clients of the MGA or the entire MGA, or both?" Sackett responded: "The clients." Pesce agreed.

"It matters how you structure it—not just the fact that the contract is in place but that there's consideration that's specifically tied to it," Sackett asserted. Added Estrada: "This needs to be more than just salary if you want it to be strong."

"I believe in complete transparency and brutal honesty," Sackett said. "The best time to have this conversation is at the beginning of the relationship. I'm going to invest our intellectual capital in you, introduce you to our brokers, and possibly give you equity, and here are our expectations of you." ■

Note: Quotes have been edited for clarity and brevity.

The author
Elisabeth Boone, CPCU, is a freelance journalist based in St. Louis, Missouri.

SERVICE PROVIDER INDEX

FM Boiler Re (formerly Mutual Boiler Re) provides equipment breakdown reinsurance and support services to property insurers throughout the United States and Canada. For more than 140 years, we've combined specialized engineering and reinsurance expertise with tight-knit collaboration, helping our partner companies deliver effective, reliable coverage.

With the backing of industry-leader FM, we provide unparalleled access to engineering and loss prevention resources through dedicated service teams that work in lockstep with each of our partner companies. Working together, we protect your purpose by crafting individualized equipment breakdown programs that insurers can rely on to meet the needs of their policyholders.

The strength of our company is reflected in the ratings we've received from the leading rating agencies: AA from Fitch, A+ from AM Best, and A+ from S&P Global ratings. These marks of excellence rest upon the three "benefit pillars" we maintain for our partner companies:

- Specialized engineering
- Proactive partnership
- Robust resources

When you partner with FM Boiler Re, you can trust that you have a partner who is invested in your success and dedicated to providing responsive, reliable coverage.

For more information, please visit: www.fm.com/boiler-re.

Live Oak Bank

GET THE MONEY YOU NEED FASTER WITH LIVE OAK BANK'S NEW FINANCING SOLUTION

While you may know Live Oak Bank as an insurance business financing expert who provides capital for acquisitions and expansions, that's not all we do. Our new Live Oak® Express program offers powerful new financing tools to insurance business owners who need smaller and faster loans.

Working Capital and Acquisition Financing

Working capital loans are often too small for traditional banks to be worth the hassle. However, Live Oak® Express loans are perfect for business owners who need a loan between $10,000 and $500,000—the perfect price range for buying a book of business, hiring new staff or implementing a new marketing plan.

Running an insurance business involves various operational costs, from staff salaries to utility bills. Live Oak® Express can provide the necessary working capital to smoothly run these operations, ensuring that your business can focus on delivering top-quality services to your clients.

Why Choose Live Oak® Express?

With Live Oak® Express, the loan process is straightforward and efficient. We offer fast closing, transparent costs and terms of up to 10 years. There are no prepayment penalties or hard credit inquiries, and the documentation is simple.

To qualify, your business must have been operational for at least two years, maintain an excellent credit history, and be current on all outstanding debt. Live Oak® Express is designed to provide quick and efficient financial solutions, making it an ideal choice for insurance companies.

Live Oak Bank: Your Trusted Partner

At Live Oak, we are committed to supporting the vital role of insurance companies in our communities. Our deep understanding of the unique financial needs of the insurance sector, coupled with our dedication to providing fast and efficient service, makes Live Oak the perfect partner for your business.

With Live Oak's competitive rates* and terms, you can expect a streamlined application process and personalized service. The Live Oak® Express loan program can help you take your business to the next level.

For more information, please visit **liveoakexpress.com**

*Actual interest rates may differ based on your creditworthiness.

MIS, A RESOURCE PRO COMPANY

Client describes tech-enabled service provider as "a robust solution proven to deliver turn-key solutions for lines that extend well beyond workers compensation."

MIS, a ReSource Pro company, is a tech-enabled service provider whose specialized software solutions and highly trained staff streamline back-office operations for carriers, agents, MGAs, brokers, captives, and program administrators concentrating on property and casualty lines of insurance.

MIS was founded in 2001 by Kris George, an insurance back-office specialist who has held leadership roles within a carrier, MGA, and retail brokerage. From the outset, MIS has been dedicated to "Making Insurance Simple," and strives to be the best-in-class back-office policy and data management company supporting the property/casualty market. Having spent his career in different sectors of the business, Kris understands the peace of mind that comes with having a business partner like MIS manage back-office functions and regulatory compliance.

MIS's integrated suite of services includes leading web-based agent and underwriter "white label" portals to rate, quote, bind, bill, organize and report policies. Our "FasQuote" and "UW ExpresWay" software allows agents and underwriters of MGAs, captives, and carriers to reduce turnaround time and improve submission quality while reducing the need for manual data entry.

With the Business Process Outsourcing (BPO) services and Business Technology Outsourcing (BTO) services available from MIS, program administrators and MGAs have access to advanced policy administration and regulatory compliance features over the entire lifecycle of a policy. MIS provides end-to-end system integration of functions from billing and cash management through rate, rule, and form compliance and on to bureau reporting to ISO, NCCI, and independent bureaus.

These BPO and BTO capabilities are built into MIS's web-based portals, which include "FasQuote" and "UW ExpresWay", which provide a highly configurable rules engine, integrations with critical policy data sources, and workflow tools to streamline the underwriting process in one cloud-native platform The policy administration software then calculates rates, limits, and coverages, returning a white labeled quote designed by our client. When a prospect accepts a quote, FasQuote sends the relevant data to the policy administration system, which issues the policy upon request.

As a result, MIS clients experience average quote times of three minutes or less, with overall conversion ratios (quote to bind) of more than 40% across all states for most property and casualty lines of coverage. These features integrate directly with web-based billing, resulting in simple, on-demand policy issuance.

After policy issuance, MIS's proprietary "GenEx/Access" reporting software provides timely and accurate reporting of premium, policy, and loss data across all jurisdictions. GenEx provides reporting of proof of coverage (POC), detailed claim information (DCI), unit statistical reporting (USR), and financial data call reporting to ISO, NCCI, and independent bureaus.

"I've been working with MIS since 2008," says Steve Novak, Novak Consulting Group. "MIS provides the rating and underwriting portal platform we use to transact business for multiple carriers for general liability, auto and property lines of coverage.

"They are great partners to work with, an excellent platform for our underwriters and, as a back-office that executes as a data reporting service, they are very responsive," Novak adds. "MIS over the years continues to Make Insurance Simple." ■

For more information, contact:

Kris George
kgeorge@misinservices.com
Mobile: (407) 257-9206
Office: (407)209-3300

Zenobia Hastie
zhastie@misinservices.com
Mobile: (386) 837-0124
Office: (407)209-3499

TARGET MARKETS

Program Administrators Association

Insurance competiveness means delivering innovative, profitable products to the marketplace quickly and efficiently. Program administrators are known for doing just this, offering creative new insurance programs and enhancements to the insurance distribution system that address emerging risks and meet the unique exposures of niche markets and hard-to-place risks. This means offering key advantages and responding to agency partner needs in a timely fashion. It also means having a laser-like focus in the niche markets one serves and not getting bogged down with tasks outside of one's core competencies. This is where Supportive Insurance Services steps in.

Founded in 2001, Supportive helps program administrators and their partners do what they do best by offering a full range of licensing and related services to insurance industry professionals—agents, agencies, adjusters and adjuster firms.

"Target Markets members operate in multiple states," explains Jeff Brinkmann, President and CEO, "and because of that, they and their companies generally need to hold licenses in each state where they conduct business. But this can be complicated and extremely time-consuming with each jurisdiction having its own set of rules, regulations and requirements. Moreover, these rules and requirements are constantly changing, making it hard for someone who is not involved with insurance licensing on a daily basis to ensure compliance."

With Supportive, Target Markets members receive unequalled licensing experience and expertise. In addition to obtaining new resident and non-resident licenses, the firm also handles licensing renewals and updates, corporate registrations and Certificates of Authority, annual reports, and more.

Supportive typically works with two types of firms: those who in the past have experienced licensing-related frustrations and those with the foresight to head off such problems. In most firms the individuals assigned with taking care of insurance licensing don't really understand it, as this is not part of their core competency. As a result, they're bound to make mistakes, even if they're conscientious employees. These errors can lead to penalties if filings are incorrect or deadlines are missed, and even license suspension or revocation.

Organizations that opt to handle licensing in-house also face additional potential challenges. If they're fortunate enough to find someone who manages licensing well, when that person leaves, so does a wealth of knowledge and experience. That know-how is tough to replicate when you're overwhelmed with trying to meet renewal and registration deadlines.

Supportive knows the ins and outs of licensing and takes care of the details. "We have **29** professionals on the job, with an average 20 years of insurance and licensing experience," says Brinkmann. "Our staff brings their depth of insurance and licensing expertise together with state-of-the-art technology to expedite the process and ensure even greater accuracy."

Target Markets members are ideally suited to what Supportive has to offer. If you would like a quote or need more information, please contact Jeff Brinkmann, President and CEO, at 317.257.5734 or jabrinkmann@supportiveis.com.

"Rules and regulations are constantly changing, making it hard for someone who is not involved with insurance licensing on a daily basis to ensure compliance. Errors can lead to penalties, and even license suspension or revocation."

Supportive Insurance Services

supportiveis.com

Supportive
Insurance
Services

Insurance Licensing Made Easy

At Supportive Insurance Services, we:

- ✓ **Provide cost-effective, efficient service** – save time and money.
- ✓ **Make it easy** – you merely fill out a form, we do the rest.
- ✓ **Offer expertise and advice** – almost 20 years in business.
- ✓ **Handle renewals** – no need to worry, we have you covered.
- ✓ **Provide secure access** – your licensing information is online.
- ✓ **File annual reports** – so you don't have to.
- ✓ **Manage address changes** – we stay on top of the details.
- ✓ **Track continuing education** – and so much more!

AGENT & AGENCY LICENSING

We file the non-resident insurance license applications, pay state fees, submit supporting documentation and follow up with each state until all licenses are issued.

ADJUSTER LICENSING

We research state requirements to determine all insurance licensing requirements are met. Our staff handles all forms and submissions required for the insurance license(s) you need.

RENEWALS & UPDATES

We provide our clients with online access to their license information, process license renewals and track continuing education requirements and completions.

FOR MORE INFORMATION, CONTACT
JEFF BRINKMANN, PRESIDENT AND CEO, AT 317.257.5734 OR VISIT SUPPORTIVEIS.COM

Evolving ways MGAs leverage data and tech for stronger carrier partnerships

The MGA space has always been about relationships. To manage workflow and connectivity challenges for non-standard risks, competitive MGAs in today's market still rely on old-fashioned relationship building—just with the modern benefits of tech solutions and comprehensive data.

A brief look back

During the shift from paper to digital in the 1990s, MGAs (as well as MGUs, wholesalers, and program administrators focused on specialty lines) typically maintained their own rates and forms using on-premise applications.

These early digital tools had limited functionality to integrate with systems of record or more comprehensive agency management systems, which made updating rates and forms a constant challenge—especially on the carrier side, if you factor in their multiple MGA partnerships.

A major (and agile) leap forward

Carriers are often large, corporate ecosystems whose massive operations can be difficult to synchronize or coordinate quickly enough to seize fast-developing business opportunities. As such, they rely on their MGA partners to stay nimble in a dynamic marketplace. To serve this need, MGAs are becoming more and more specialized and can quickly make the kind of innovations that allow them to best fill their niche—or reshape entirely to capitalize on a new field.

In short, MGAs provide a level of agility and innovation carriers can't easily replicate.

This innovation can involve any of the myriad forms of data collection available today, from aerial images to real-time data sources. What sets one MGA apart from another in the marketplace is often the quality and effective usage of that data.

A new era for MGAs

Today, agile MGAs remain well-positioned to keep uncovering growth opportunities, even as the wider insurance industry faces new challenges due to the rising frequency and severity of risks. Last year, natural catastrophe losses surpassed $100 billion for the fourth consecutive year.

The resulting increase in volume and cost of claims has led carriers to reevaluate their portfolios and raise premiums, pushing even more risk into the E&S market—and thereby increasing the prevalence of MGAs underwriting those risks.

A successful partnership depends on data and technology

Current MGA-carrier partnerships are increasingly centered on effective data and technology integrations. A recent Clyde & Co. report found that, **for 65% of carriers, data and technical expertise are the top factors when evaluating a potential MGA partner.**

With access to massive troves of data, MGAs often contend with issues around data analysis and reporting, manual data entry errors, and the lack of standardization across different carriers. To overcome these challenges, MGAs focus on data quality, integration, and process improvement.

Standardizing data formats, leveraging automated validation tools, and refining practices around service level agreements with business process outsourcing partners are essential steps. Along with robust data security measures, consistent data capture and gradual implementation of validation rules can also enhance data quality.

Don't forget about APIs

One particularly useful advancement is in the growing use of APIs, referring to an application programming interface, which is a software intermediary that provides direct system-to-system data communication. **By syncing data directly through integrated software, MGAs and carriers know their data can be trusted, eliminating manual input errors and program incompatibility.**

Digital workflows and reciprocal data analysis

Digital workflows, too, provide powerful solutions to inefficiencies inherent in verbal communication and outdated data delivery practices between MGAs and carriers. By automating underlying processes to facilitate secure data exchanges (with APIs in particular), MGAs can increase accuracy, improve communication, reduce turnaround time, and further strengthen their relationships with carriers.

MGAs can do much of the legwork to improve trust with their carrier partners through their own valid data, but the other half of the information-sharing equation is what carriers can share back with MGAs.

Carriers understand the historical performance of their own particular lines of business or risk. MGAs can take insights from that data, feed it back into underwriting and pricing, and then work with carriers to define the product. **In this way, carriers and MGAs can work together to identify what data has the most predictive capability.**

What the future holds for MGAs

The combination of communication between carriers and MGAs and technology that collects real-time data can take the industry from one that looks only at historical data to one that makes increasingly dependable predictions going forward.

In that ideal future, all data would be standardized and verifiable in real-time, seamlessly accessible for instant exchanges across MGAs and carriers. Data entry errors would be eliminated, and the reliance on straight-through processing for more lines would be the norm.

In the meantime, carriers will continue to rely on their MGA partners to maximize unique and complex distribution opportunities. To capture that growth, MGAs must source faster, more reliable data tools and processes.