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**THE INDEPENDENT INSURANCE AGENTS OF MARYLAND, INC.**

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WOW---2017 !!!! The last month of the year is packed with meetings with producers and company reps, going over production and experience reports for the past year and setting goals for the coming year. After coming up for air from all of these meetings and spreadsheets, it dawns on me that I have been doing this for 40 years.

Looking back, one of my first memories, from that first year of my P&C career, was one of our carriers sending our office two auto applications at the beginning of the month. Once they were used, that was all you could write with that carrier until the next month. Good thing we were one of the more than one company agents. Back then this gave me the feeling that our industry was losing site of the customer’s needs and over four decades later, in my mind, that hasn’t changed. Prior to insurance, I was in the grocery business and was taught that the customer comes first, drop whatever you are doing to take care of the customer, and that the customer is always right, and without them we would not be in business. Imagine my surprise that I could only provide the best coverage and pricing to two of my clients a month when starting in this industry. It was my understanding that the reason the insurance industry existed was to protect people and businesses from financial ruin. My mentor explained that the restriction was caused by a capacity issue and at the time the underwriting cycle was favoring property coverage over casualty due to underwriting results. So that is where I got on the insurance roller coaster ride and forty years later I’m still holding on tight.

Through the years I have heard about hard markets, soft markets, supposed death of the independent agency system, investment income driving cycles, insurance as a commodity, banks in insurance, credit scoring, predictive modeling, data analytics and on and on. The buzz words that causes me the most grief is the “dumbing down of the industry.” If we are going to be useful to our clients, we need to have a full understanding of the policies we write. There are too many in the industry that have not taken the time to read and study a policy form and understand what is appropriate for the client to fill their needs. To help in solving this dumbing down problem, contact the Big “I” education department. Encourage your staff to enroll in a designation program like AAI, ACSR, or CRIS and use those credits to satisfy continuing education requirements.

Growing up in the 60’s, the slogan I heard often was “If you want a good job, you need a good education.” That good education is available from the Big “I” and will insure that your clients are getting the best advice and counsel offered in the marketplace. Keep in mind, if you do the right thing for your clients, the goals you set will fall into place.

Here’s to a successful 2017
COSTA MESA, CA.— With homeowners and renters insurance premiums remaining stable, insurers are focusing on the customer experience to differentiate themselves from the competition, according to the J.D. Power 2016 U.S. Home Insurance Study, released today.

Historically, price has been the leading basis of competition for many insurers. The industry currently in what could best be described as a stagnant or soft cycle, with rates remaining relatively stable. On average, customers report an annual premium charge of $1,186 for homeowners insurance and $259 for renters insurance in 2016, with both remaining relatively unchanged over the past few years.

“Insurers have shifted their competitive focus to improving communication, process efficiency, and being easier to work with as a way to solidify and grow their business,” said Valerie Monet, director of the insurance practice at J.D. Power. “Improvements in processes and customer service benefit everyone—the customer and the insurer. When competing on price, it’s incredibly difficult to provide an outstanding customer experience.”

The shift in insurers’ strategic priorities has resulted in a significant increase in satisfaction. Overall customer satisfaction with homeowners insurers is 804 (on a 1,000-point scale) and overall customer satisfaction with renters insurance companies is 825, each a 17-point increase from 2015. Monet noted that while in the homeowners and renters segments satisfaction with price is up (+16 points) because rates are stable, the increase in satisfaction with policy offerings (+25) is actually a much larger driver of the overall annual change in satisfaction. Improved communication is helping customers to see the value in the products they purchase. Among homeowners customers, satisfaction also improves significantly in claims (+19 points) and interaction (+10).

“By pleasing their current customers, which builds loyalty and advocacy, insurers benefit financially,” said Monet. “Customers don’t often just pocket the savings that result from stable premiums. If they are happy with their current insurer, they will frequently modify their policy by increasing their coverage or purchasing additional insurance with the savings, such as adding riders for high-priced items like jewelry, artwork and family heirlooms.”

The Young and the Wealthy Gen Y—now the largest generation in the United States at 75 million or 31% of the population and the largest group of home buyers at 35%—is a sizable force in the U.S. economy today. Over the next decade, Gen Y will become even more influential as they enter their prime years of building assets and accumulating wealth, and, therefore, will likely represent a lucrative segment for insurers to target.

“These young, affluent consumers create an opportunity for insurers looking to grow their business,” said Monet. “Gen Y, across all of its income levels, has the greatest affinity for using technology in all aspects of their lives, given they grew up using technology 24/7. Combining this with the fact that HNWIs typically have more complex risk and insurance needs than the average policyholder suggests it is important for insurers to understand how to meet the needs of HNWI Gen Y customers and modify their approach accordingly.”

While HNWI Gen Y customers are more satisfied overall with their homeowners insurance than are HNWI Boomers, they are less satisfied with interaction with their insurer, specifically with their agent experience. HNWI Gen Y has a greater number of contacts with their insurer vs. HNWI Boomers, resulting in the interaction factor having a heavier weight in the overall satisfaction index among HNWI Gen Y vs. Boomers (34% vs. 27%, respectively). Focusing on improving agent and broker interactions will be critical for insurers looking to attract and retain HNWI Gen Y customers.

“Although many insurers have made great strides in improving the customer experience, there is still significant opportunity to improve customer satisfaction,” Monet said.

Amica Mutual Ranks Highest in Homeowners Insurance Customer Satisfaction for 15th Consecutive Year; The Hartford Ranks Highest in Renters Insurance Customer Satisfaction for First Time
perceptions of both products and services,” said Monet. “New entrants into the market, such as on-demand insurance, will likely result in shifts in customer expectations. Customer satisfaction is going to be more important than ever before for competitive position and growth.”

On-demand insurance allows customers to insures items just when they need it, turning it on and off, frequently using their smartphone. Often called “just-in-time coverage,” consumers can insure, for example, their bike only while they’re riding it, their skis during a weekend trip or their laptop when used away from the home.

“On-demand insurance is gaining popularity in markets outside the United States and is slowly growing in

the United States,” said Monet. “It’s important that insurers know which segments of their customers would be interested in such insurance products and perhaps develop a similar product to compete in that space.”

The study examines overall customer satisfaction with two distinct personal insurance product lines: homeowners and renters. Satisfaction in the homeowners and renters insurance segments is measured by examining five factors: interaction; policy offerings; price; billing process and policy information; and claims. Satisfaction is calculated on a 1,000-point scale.

Insurance Rankings

Amica Mutual ranks highest in the homeowners insurance segment for a 15th consecutive year, with a score of 864. Amica Mutual performs particularly well in the billing process and policy information, interaction, policy offerings and price factors.

Auto Club of Southern California Insurance Group ranks second (835), followed by Cincinnati Insurance (828), GEICO (826) and Auto-Owners Insurance (824).

The Hartford ranks highest in the renters insurance segment with a score of 841. The Hartford performs particularly well in the billing process and policy information, interaction and policy offerings factors.

American Family ranks second (836), followed by Erie Insurance (834) and State Farm (832).


Future One Releases Agency Universe Study

The Agency Universe Study (‘AUS’) is a product of Future One, a cooperative effort of the Independent Insurance Agents & Brokers of America (IIABA) and independent agency companies. The AUS started in 1983 and was fielded every 4-5 years until 2002, when it went to biennially to stay abreast of the fast-paced changes in the industry.

ACT is providing this overview of the technology -focused results of this 2016 survey. Far more detail, comparison charts, and insight are available in the Management Summary and Full Report, both of which can be ordered on the IIABA AUS webpage at http://www.independentagent.com/Resources/Research/AgencyUniverseStudy/agency-universe.aspx.

High-Level Observations

For 2016, the total number of independent agencies in the United States remains stable at 38,000 – this is a small decrease from 2014 (38,400). Since 2004, the estimate has not fluctuated greatly, running between 37,500 and 39,000.

The survey had 1,972 respondents, using their 2015 experiences as a lens to provide insights. From 2014-2016, the number of Small agencies (<$150k revenue) increased from 15% to 21%. The number of agencies in small towns/rural areas decreased from 19% to 9%.
Jumbo agencies (>$10m revenue) increased from 0.8% to 1.6%.

Technology Section; High-level Findings

Marketing Budget - % of Agencies who include each technology activity as part of Marketing Program

<table>
<thead>
<tr>
<th>Activity</th>
<th>2016</th>
<th>2014</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating/Maintaining Website</td>
<td>65%</td>
<td>64%</td>
<td>+1%</td>
</tr>
<tr>
<td>Social Media</td>
<td>56%</td>
<td>43%</td>
<td>+13%</td>
</tr>
<tr>
<td>Creating/maintaining portal technology</td>
<td>30%</td>
<td>29%</td>
<td>+1%</td>
</tr>
<tr>
<td>SEO</td>
<td>35%</td>
<td>27%</td>
<td>+8%</td>
</tr>
<tr>
<td>E-marketing activities</td>
<td>21%</td>
<td>18%</td>
<td>+2%</td>
</tr>
<tr>
<td>Digital content - blogs, webinars</td>
<td>10%</td>
<td>11%</td>
<td>-1%</td>
</tr>
</tbody>
</table>

Just over half of agencies also counted social media among their 2015 marketing activities, up significantly from 2013. In ranking use of social media, the top reasons were to build brand, attract new prospects, and provide client timely information. Facebook, LinkedIn, Google+ and Twitter (in order of use) continue to be the top platforms.

Far fewer (one in ten) promote digital content and online videos, although Jumbo agencies are far more likely than others to participate in these initiatives.

Overall Agency Technology Challenges:

Responses indicate that Small agencies feel particularly challenged to market their agency on the internet; Jumbo agencies are most likely to be challenged in staff adoption of new workflows & technologies. Some changes from 2014, with Marketing effectively move to the top.

Those ranked 1, 2, or 3 as a top challenge:

<table>
<thead>
<tr>
<th>Challenge</th>
<th>2016</th>
<th>2014</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing agency effectively on the internet</td>
<td>57%</td>
<td>46%</td>
<td>+11%</td>
</tr>
<tr>
<td>Dealing with multiple carrier interfaces</td>
<td>44%</td>
<td>50%</td>
<td>-6%</td>
</tr>
<tr>
<td>Keeping pace with technology changes</td>
<td>36%</td>
<td>39%</td>
<td>-3%</td>
</tr>
<tr>
<td>Overall cost of technology</td>
<td>32%</td>
<td>42%</td>
<td>-10%</td>
</tr>
<tr>
<td>Ensuring data transmission confidentiality</td>
<td>24%</td>
<td>26%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

Comparative Raters:

- Highest utilization in Personal Lines:
  - EZLynx: 22% (+3% from 2014)
  - PL Rating: 11% (-1%)
  - SEMCAT (now AppliedRater): 6% (+2%)
  - WinRater and ITC TurboRater: 3% (+2%)

Note: Rating via management systems <1% each for TransactNOW and Transformation Station. 43% report they are not using a comp rater (down a full 5% from 2014).

Management Systems:

Trend continues stable, with little change between the market shares of the major systems. 82% of respondents are using a management system (up 3% from 2014).

Highest utilization:

(Con't on page 8)
(Con’t from page 7)

17% AMS360 (no change from 2014)
12% TAM (down 3%)
 8% EZLynx (up from 6%)
 6% Hawksoft (no change)
 4% DORIS, Eclipse, QQ Catalyst, Agency Software
 3% Xanatek, EPIC, Agency Matrix
 2% Partner XE, Special Agent, Quomation
 8% Other

Management System Functions (PL and CL):
Compared to 2014, fewer agencies seem to find Payments to be a valuable PL management system function. Overall, Similar results between PL & CL, although PL slightly higher.
Surveyed value of functions through management system:

<table>
<thead>
<tr>
<th>Function</th>
<th>PL</th>
<th>CL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer view/search</td>
<td>82%</td>
<td>81%</td>
</tr>
<tr>
<td>Inquiries on claims, billing, etc.</td>
<td>71%</td>
<td>68%</td>
</tr>
<tr>
<td>Endorsements</td>
<td>69%</td>
<td>68%</td>
</tr>
<tr>
<td>Real Time Auto Quotes</td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>Real Time Home Quotes</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Rate Quote Requests</td>
<td>52%</td>
<td></td>
</tr>
<tr>
<td>Policy Issue</td>
<td>64%</td>
<td>62%</td>
</tr>
<tr>
<td>Alerts/Activity Notifications</td>
<td>62%</td>
<td>68%</td>
</tr>
<tr>
<td>Payments</td>
<td>59%</td>
<td>58%</td>
</tr>
<tr>
<td>Claims Reporting</td>
<td>50%</td>
<td>49%</td>
</tr>
</tbody>
</table>
| Carrier Loss Runs               | 42%  | 49%  | (Note: important to 72% of Jumbo agencies)

Overall processing technologies used:
Between five and six in ten agencies use personal lines and commercial lines download tools.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Lines DL</td>
<td>68%</td>
<td>71%</td>
</tr>
<tr>
<td>Commercial Lines Download</td>
<td>56%</td>
<td>57%</td>
</tr>
<tr>
<td>Carrier ePolicy Delivery to agency</td>
<td>51%</td>
<td>56%</td>
</tr>
<tr>
<td>Direct Bill Commissions Download</td>
<td>49%</td>
<td>57%</td>
</tr>
<tr>
<td>Paperless office (Personal Lines)</td>
<td>45%</td>
<td>47%</td>
</tr>
<tr>
<td>Agency ePolicy delivery to clients</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td>Secure email</td>
<td>29%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Electronic Communications Used:
Texting with clients continues to increase, up 8% since 2014.
Use of technology varies with agency size. Example: Jumbo agencies are more likely to use tablets/smartphones (57%), eSignature tools (60%), and an intranet (54%). 17% of Small agencies say they use none of these technologies.

(Con’t on page 9)
<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity Notifications from the carrier</td>
<td>44%</td>
<td>57%</td>
</tr>
<tr>
<td>Texting with clients</td>
<td>43%</td>
<td>35%</td>
</tr>
<tr>
<td>Tablets/smartphones</td>
<td>34%</td>
<td>32%</td>
</tr>
<tr>
<td>Agency eSignature solutions</td>
<td>33%</td>
<td>28%</td>
</tr>
<tr>
<td>Carrier eSignature solutions</td>
<td>29%</td>
<td>26%</td>
</tr>
<tr>
<td>Instant Messaging within the agency</td>
<td>16%</td>
<td>22%</td>
</tr>
<tr>
<td>Intranet for internal communications</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>Mobile apps from the carrier</td>
<td>13%</td>
<td>5%</td>
</tr>
<tr>
<td>Mobile apps for clients</td>
<td>12%</td>
<td>8%</td>
</tr>
</tbody>
</table>

**Attitudes Towards Technology:**

No surprise, Cyber concerns are now at the top of everyone’s list. But surprisingly, only 34% of agents indicate they have a written security policy, and only 23% have a written disaster recovery plan. These responses are ranked as ‘6’ or ‘7’ on a 7-point scale.

- Agency sees need for an agency cyber liability policy: 61%
- Achieved improvements through use of new technologies: 50%
- Agency offers a cyber policy to customers: 45%
- Agency believes digital marketing is a core discipline: 40%
- Agency has implemented written security policy: 34%
- Agency has a written disaster recovery plan/trains empls: 23%
- Agency has a focused mobile strategy for customers: 20%
- Agency has a focused mobile strategy for employees: 18%

**Perceptions on Electronic/Digital Resources:**

50% of startup agencies (established in last two years) say they’ve seen cost savings by using paperless communications – This is in contrast to only 26% for established agencies. Newer agencies are also more likely to have insured be open to e-documents (54% vs. 33%)

<table>
<thead>
<tr>
<th>Perception</th>
<th>2016</th>
<th>2014</th>
</tr>
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<tbody>
<tr>
<td>Insureds are just as likely to accept e-documents as paper</td>
<td>35%</td>
<td>33%</td>
</tr>
<tr>
<td>Agency has seen significant cost savings by offering paperless options offered by carriers</td>
<td>29%</td>
<td>36%</td>
</tr>
<tr>
<td>Agency has seen significant cost savings by offering customers paperless communications options</td>
<td>29%</td>
<td>31%</td>
</tr>
<tr>
<td>Agency measures ROI in use of traditional marketing</td>
<td>22%</td>
<td>27%</td>
</tr>
<tr>
<td>Agency measures ROI in use of digital/social media marketing</td>
<td>18%</td>
<td>16%</td>
</tr>
</tbody>
</table>
10 Things to Know about the MIA Website

This is the time of the year that I make resolutions. Of course, I make resolutions to be healthier, to have a more balanced life, and to sometime this year, fit into that pair of jeans that I bought three years ago. I also make a resolution each year about my work life—I want to work smarter, not harder.

As to that last resolution, I have increasingly been thinking about how to better use readily available resources. Specifically, how insurance professionals can use the website of the Maryland Insurance Administration (“MIA”) to ‘work smarter’. Let me share some of the most interesting nuggets from that website:

1. **Bulletins**—The MIA’s website contains bulletins for producers and insurers. While I believe that every insurance professional should subscribe to those bulletins, the fact that the bulletins are retained on the website are a treasure. For those that are in charge of continuing education, these bulletins should be reviewed on a quarterly basis.

2. **The Search Feature**—The MIA’s website has a search feature that allows an insurance professional to comb through the online material. Oftentimes, the MIA’s position on esoteric insurance issues can be found using this feature.

3. **Producer Information**—The MIA’s website contains information regarding a producer’s license, address, phone numbers, and other information. There are links to the state-based systems of other states through the National Association of Insurance Commissioners (“NAIC”). Those that do business with other brokers should use these tools to determine whether there are compliance issues.

4. **Producer Enforcement Information**—The MIA’s website contains information regarding the type of enforcement action, the number of the enforcement action and the reasons for the enforcement actions undertaken by the MIA. Knowing who has gotten into trouble can satisfy a prurient curiosity, but more importantly, knowing why producers get into trouble can prevent trouble in your own shop.

5. **Annual Reports**—The MIA’s website contains a number of annual reports. These include annual producer summaries and reports to the Maryland General Assembly such as those relating to lack of good faith. These reports demonstrate trends that should dictate business actions.

6. **Company Information**—There is an astounding amount of information regarding companies on the MIA’s website—licensing information, contact information, and consent orders. The website contains decisions relating to complaints, particularly those related to unfair claims settlement practices. These decisions can provide information regarding how a company handles particular types of claims, which could be of assistance to clients and insureds.

7. **Referral Information**—The Section 2-110 report that the MIA provides to the General Assembly contains a great deal of information. One nugget of information contained in that report is the number of cases referred to local state’s attorneys for criminal prosecutions and the resolution of those cases. The report also contains information regarding the referral of cases to the Office of the Maryland Attorney General, including fraud referrals.

8. **Special Reports**—In addition to the annual report and the Section 2-110 report, the MIA website contains a variety of miscellaneous reports that the agency has undertaken over the years. These reports contain information regarding hurricanes, floods, and surplus requirements. The website also contains interesting reports on Holocaust era insurance claims and slaveholder insurance policies issued in the state prior to the Civil War.

9. **Contact Information**—The MIA’s website contains contact information of those agency officials that are responsible for the oversight. When faced with uncertainty as to a law or regulation, these officials can provide invaluable advice.

10. **Legislative Information**—The MIA’s website contains information regarding a number of bills that have been introduced to the General Assembly. These bills affect the insurance profession in many ways, and the website is the place to find out about them.

(Con’t on page 11)
regarding the proposed legislative package. This year’s package includes legislation regarding public adjusters, title insurance producers, cancellation of motor vehicle liability insurance, and charitable gift annuities. To the extent that an insurance professional has concerns with the proposed legislation, there is contact information provided so that those concerns may be expressed.

The MIA website contains these and so many more nuggets for the insurance professional. An insurance professional should determine how best to use this information and these tools. An insurance professional should integrate these tools into their business practices. When a statutory interpretation issue arises, the MIA website should be reviewed almost immediately. When a professional relationship with an insurance company or insurance broker is proposed, the website should be reviewed to determine potential or prospective issues. When an insurance professional has a legislative concern, the website should be reviewed to determine whether the concern is on the MIA’s radar.

May this year be a professionally rewarding New Year, with an aim towards ‘working smarter’.
IIA Maryland wishes to congratulate Kelly Donaldson, AAI, CIC, of Day Deadrick & Marshall Insurance for winning the Superhero Essay Contest at Brethren Mutual’s 21st Annual Professional Insurance Women’s Conference last week! Contest participants were asked to write a short essay on what it takes to be a superhero in today’s insurance industry. Kelly’s essay knocked it out of the park and corporate sponsor Crosswhite, Limbrick & Sinclair, LLC awarded her the grand prize of $500 cash! Kelly’s winning essay may be read in its entirety on the next page.
What it Takes to be a Superhero in Today’s Insurance Industry

An essay by Kelly Donaldson, AAI, CIC

It’s a bird, it’s a plane…it’s your Insurance Professional Superhero! In today’s fast paced world, you really need to be something to everyone and you better be able to move at lightning speed! Consumers want things NOW, no time for jumping into a phone booth, which you couldn’t find even if you needed one, for a quick change into your leotard and cape. As an insurance professional you need to be able to underwrite, advise, quote, issue and service your accounts quickly and efficiently. In order to do that you must be up on the latest technology and industry standards. Training and continuing education are a must, regardless of how long you’ve been in the industry! But we also need to maintain that personal touch and not let technology turn us into lizards with accents or insurance people who just go with the “Flo”.

Technology has made our insureds more knowledgeable, not just about insurance, but also about their need for insurance. More and more clients see the benefit of insurance and how not having it can affect their lives. This has made our lives as insurance professionals easier and has made it easier to have conversations with insureds about insurance products and options. We still need to be an advisor to our clients and point out what products may best fit their insurance needs. Partnering with insurance carriers who also see the value in keeping up with technology makes our jobs easier and enables us to handle the needs of our clients more quickly. Interactive websites and mobile apps that allow clients to access their information 24/7, make payments, print auto ID cards and much more and having a social media presence are just a few of the current technological trends changing our industry, changing how we do business and changing how we interact with our clients.

You never stop learning no matter how old you get. This is especially true in the insurance industry. You never know all there is to know and just when you think you do, ZAP! POW! BAM!, everything changes. Coverages and forms change as the world becomes more aware and knowledgeable of environmental changes and other issues that affect our clients. It wasn’t too long ago when we became aware of the dangers of lead paint and mold and now we’re discussing drones and driverless automobiles! Insurance superheroes must stay on top of these industry trends as they emerge, We need to educate ourselves on these topics because we want to, not solely because we have to in order to maintain our licenses. Knowledge is power and every superhero needs power!

At times our clients are like our family. We may have helped a current insured’s grandmother, mother, father and siblings with their insurance needs over the years. Building long lasting relationships can be challenging. Today’s millennials purchase, process information and handle their business needs in a way different than their parents. Building long lasting relationships can be challenging. Today’s millennials purchase, process information and handle their business needs in a way different than their parents. As insurance superheroes we need to be open to new ideas, be flexible and willing to conduct business in new ways, with a variety of personalities and age groups. We have to conduct business the way that the client wants to conduct business. Texting instead of email, email instead of phone calls, learning to relate to people who are different than you are can be a challenge but we must change in order to survive and thrive in today’s insurance world and to remain relevant in our field. As insurance superheroes we need to point out areas to our clients where insurance products can fill gaps and provide individualized protection. When our clients have a loss and the coverage that you suggested and pointed out their need for is there, you are a superhero to your client and your client is a superhero to his or her family.

So we may not have X-ray vision, although wouldn’t that come in handy during loss control inspections?, or to be able to leap tall buildings in a single bound but we can do a thorough job for our insureds by keeping up with technology and industry standards, educating ourselves on these topics, and by building and maintaining relationships with clients and carriers. Superheroes are sometimes just ordinary people who do extraordinary things. Always strive to be extraordinary and not just ordinary and the superhero that you are will shine through and will always be victorious!
The Independent Insurance Agents of Maryland…..the only Association located in Maryland and serving Maryland Agents for over 100 years!

Through national advertising, public relations, local agency marketing and their innovative Web site, Trusted Choice® is educating consumers and becoming the defining voice for agents and brokers nationwide.

LEGISLATIVE

Recent Session Recap
Political Action Committees
- MAPAC
- InsurPAC
MD Insurance Law
Legislative Bulletins
Big “I” Legislative Conference

The Association President and the Legislative Committee Chairman and members of the legislative committee monitor all insurance related legislation on your behalf during sessions of the Maryland General Assembly. Members are provided with timely legislative bulletins outlining those issues/bills which affect our business. The Association has been involved in the passage of a number of legislative proposals helpful to the Independent Agent and the Maryland Assembly.

Join the IIAMD President, Legislative Committee and fellow IIAMD members in Washington, D.C. for the annual Big “I” Legislative Conference in May!

MEMBERSHIP

Agency Membership
Associate Membership
Affiliate Memberships
Trusted Choice

PUBLICATIONS

Maryland Messenger Advertising
Online Membership Directory

IIAMD members get significant discounts on advertising in the association’s bi-monthly publication the “Maryland Messenger”. They also have access to the online directory as well as three years of archived editions of the newsletter.
Data Breach Coverage

IIAMD now offers Data Breach Coverage exclusively to our members. The Beazley Breach Response® policy was created & tailored to the needs of independent agents. As a Beazley Breach Response® policyholder, you will have access to their Data Security Risk Management website, which provides risk management policies, procedures, training and other tools to help prevent a breach of confidential data.

Big “I” RLI Agency Package

The Big "I" RLI Agency Package suite of products for business owners, automobile, workers compensation, and excess coverage have been specifically designed for insurance professionals and is offered exclusively to Big "I" members.

Educational Calendar
CE Requirements
Designation Programs
- AAI & ACSR
E&O Seminars
Webcasts via ABEN
Online Seminars
In-House Course Instruction
P/C Licensing Courses

Please visit our website for more information!
WWW.IIAMD.ORG
How Accurate is Your Data?

One of the most valuable resources your agencies own is your customer data. When you want to reach out to your customers and prospects, it is critical to have current contact data. We have the same needs here at the association, and the importance goes one step further.

When we have critical legislative issues or want to let you know about the latest continuing education, having the right information ensures that you remain informed. You may be unaware that the data we have for you is also used by the national IIABA to provide your agency with additional benefits.

Each of our members receives a profile on TrustedChoice.com, and the information that is displayed to consumers comes from the data we collect from you. It might not have been important in the past to let us know that you moved your office across the street, or that you switched email service providers. TrustedChoice.com recently enhanced their systems so that interested consumers can directly contact agencies that don’t subscribe to their services. This means that consumers are looking at your data which may be incorrect: calling your old phone number or visiting your old office, or sending you emails that bounce.

For all of these reasons, it is critical that you take the time to confirm that the information that we have for your agency is up-to-date. If you’ve got changes, just pass them along to us, and we’ll get the changes made and your data updated with TrustedChoice.com.

Zurich North America Simplifies Organization

Zurich Insurance simplifies go-to-market structure in North America

Schaumburg, Ill.– Zurich, a leading insurance provider, today announced changes to its organizational structure, bringing together its Commercial Markets and Global Corporate businesses in North America.

Effective January 1, Paul Horgan will lead the newly formed unit. Horgan, formerly Head of Global Corporate in North America, will report to Mike Foley, CEO of Zurich North America, and to James Shea, CEO of Commercial Insurance globally for Zurich.

“Bringing together our expertise from our corporate and commercial businesses allows us to simplify our customer interaction and go-to-market approach. From mid-sized companies up to the largest corporate enterprises, we will seamlessly deliver Zurich’s award winning customer relationship management model, distinctive industry-focused solutions, and international programs capabilities (IPZ). We will continue to deliver Zurich’s world-class Claims and Risk Engineering services, and be able to design a wide range of program structures that effectively manage our customers’ total cost of risk. I have complete confidence in Paul’s ability to lead this new business unit in North America,” said Foley.

Shea commented, “Paul’s 30 years of industry experience, in addition to his Zurich experience leading our Global Corporate North America team and global leadership roles in Underwriting and Reinsurance, make him a great choice to lead this team.”

Also effective January 1, Zurich North America is naming Craig Fundum as Chief Administrative Officer. Fundum, formerly Head of Commercial Markets, will be responsible for Strategic Execution, Human Resources, Communications, Community Investment and Employee Engagement. Fundum also will chair the company’s Risk and Control Committee in North America, coordinating with Audit, Risk, and Compliance. In this new role, Fundum will continue to report to Foley.

“Craig has over 25 years’ experience at Zurich, during which he has delivered tremendous impact across a variety of roles. His extensive knowledge of our people and our processes, as well as our customers and products, will be invaluable to Zurich as he takes on this new challenge as Chief Administrative Officer,” said Foley.
NOAA Names Big “I” As Weather-Ready Nation Ambassador™

Association partners with federal agency for disaster preparedness education program.

ALEXANDRIA, Virginia—The Independent Insurance Agents & Brokers of America (IIABA or the Big “I”) announced its partnership with the National Oceanic and Atmospheric Administration’s (NOAA) Weather-Ready Nation (WRN) TM initiative.

Weather-Ready Nation (WRN) seeks to educate the public on readiness and response to extreme weather, water and climate hazards through a series of interactive online tutorials that present age-appropriate information. The safety modules are customized for children ages 10-12 or 13 to adults. Participants can select modules for a variety of disasters and geographical areas. A certificate is presented upon completion of each set of modules.

“The Big ‘I’ is proud to partner with NOAA and so many private and public sector stakeholders on such an important initiative to ensure families and businesses are as prepared as possible in the event of a natural disaster,” says Bob Rusbuldt, Big “I” president & CEO. “We encourage our member agencies to share the safety modules immediately with their clients and employees and to also consider becoming WRN Ambassadors themselves.”

As a WRN Ambassador, the Big “I” is committed to working with NOAA and other Ambassadors to strengthen national resilience against extreme weather. In effect, the WRN Ambassador initiative helps unify the efforts across government, non-profits, academia and private industry toward making the country more ready, responsive and resilient against natural disasters. The Big “I” has long held that education and preparedness are keys to reducing the financial and collateral damage when disasters strike.

“Ambassadors are critical to building a Weather-Ready Nation,” said Louis Uccellini, Ph.D., NOAA National Weather Service director. “We welcome the Independent Insurance Agents & Brokers of America, Inc., as a new ambassador who is committed to empowering its members with lifesaving information about extreme weather events.”

Weather-Ready Nation Ambassador and the Weather-Ready Nation Ambassador logo are trademarks of the U.S. Department of Commerce, National Oceanic and Atmospheric Administration, used with permission.

TrustedChoice.com Help Desk

TrustedChoice.com continues to improve and offers improvements to all members. For Advantage subscribers, a new Help Desk is available, offering tips and tricks, and now ALL members can receive referrals from interested insurance buyers.

TrustedChoice.com just released their new Help Desk, a collection of resources that is designed to help Advantage subscribers best-utilize their Advantage profile.

An improved profile better represents your agency to consumers, and ultimately generates more referrals of the types of business that you want to write.

How? The TrustedChoice.com Appetite Engine compares the needs of the consumer with the capabilities of member agencies. It then presents a list of agencies ranked in order of match to buyer requirements, with those closest matches at the top of the list. The buyer then can review each agency in detail to determine which has the best ability to help them with their specific needs.

An attractive and detailed profile convinces buyers that your agency can help, and consumers reach out to the agency that they think can solve their problem.

(Con’t on page 18)
Learn More at www.agencynation.com/help-desk/

**All Members Get Email Referrals from TrustedChoice.com**

Recently TrustedChoice.com made changes to the workflow for consumers, and now any time a buyer reaches out to an agency, even if by phone, the agency will receive an email notifying them of the prospect’s contact information.

In the past, when a buyer called an agency, no email notification was sent to the agency. This had a couple of unintended consequences:

1. Many agencies didn’t realize that the phone call that reached their agency had been the result of the consumer having been researching on TrustedChoice.com, and
2. Many callers that didn’t reach a live body chose not to leave a message, thereby offering the agency no opportunity to follow up.

The new workflow requires the consumer to enter their contact information prior to getting the contact information for the agency. When the agency information is shown to the consumer, an email is generated and sent to the agency with the consumer’s contact information.

This now provides the agency with information about the buyer prior to the receipt of the call if the consumer chooses to call the agency, and also provides the agency with a record of the attempted contact in the event that the consumer doesn’t leave a message.

Both of these enhancements help ensure that consumers are finding the best possible agency with whom to work, and will enable agencies to write more business.

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**Big “I” Markets Expands Small Commercial Offerings**

More carriers and coverage areas available to Big “I” agencies.

ALEXANDRIA, Virginia,—Markets Big “I” Markets (BIM), a division of the Independent Insurance Agents & Brokers of America (IIABA or the Big “I”), is expanding its small commercial offerings to include additional carriers and coverage areas.

CNA and RLI/CBIC Mainstreet will be joining Travelers Select as available BIM carriers.

“We look forward to working with CNA, Gridiron and RLI/CBIC to better serve Big ‘I’ agents and their small business clients.”

Big “I” Markets is an online market access system available exclusively to Big “I” members featuring no fees, no volume commitments and competitive commissions.

A summary of the new product line follows:

**Travelers Select®**

Travelers Select Accounts offers a robust variety of coverages for small businesses. A proprietary BOP product, Master Pac®, workers’ compensation, commercial automobile, and commercial umbrella are available, with a broad array of industry-specific coverage options and coverage extensions. Travelers is available in all states except Alaska, Florida, Hawaii, Louisiana, Rhode Island and Texas.

**CNA Small Business**

CNA Small Business currently offers a market for a broad variety of businesses, representing healthcare, financial institutions, professional services, business services, technology, retail, real estate, wholesalers and manufacturing. BOP, workers compensation, commercial automobile, and umbrella and miscellaneous professional liability products are available. CNA is available in all states except Alaska and Hawaii.
RLI/CBIC’s Mainstreet
RLI/CBIC offers a wide variety of accounts in the service, retail, light manufacturing, construction and hospitality sectors. Package & BOP products are also available. RLI/CBIC is available in Arizona, California, Idaho, North Dakota, New Mexico, Nevada, Oregon and Washington.

Excess and Surplus Lines

Small Contractors Market
RLI/CBIC designed to meet the needs of small to medium-sized artisan and general contractors specializing in residential and light commercial projects. RLI/CBIC is available in Arizona, California, Idaho, Montana, North Dakota, New Mexico, Nevada, Oregon, Tennessee, Texas, Washington and Wyoming. In the first quarter of 2017, 13 additional states will be added.

Use Carrier Co-op for Agency Success in 2017
Did you know that 50% or more of carrier co-op marketing funds for agencies go unused every year? Today’s insurance consumer has multiple options and hoping they drive by your agency or find your agency website isn’t a marketing plan.

Don’t get me wrong, your agency website CAN be an effective marketing tool. But most aren’t. The unfortunate truth is that most agency websites aren’t good at helping new prospects find the agency. Most agency websites only rank for one keyword: the name of the agency. So if the prospect looks for your agency by searching in Google with your name, they will find you. But if they search for auto insurance my state, or business insurance this town, most agencies don’t appear.

Help is only a phone call away!
TrustedChoice.com Advantage subscriptions are often considered a reimbursable expense under many insurance companies’ co-op marketing plans. The following companies have approved policies to extend co-op to the purchase of and Advantage profile:
• Auto Owners Insurance
• Ohio Mutual Insurance Group
• Westfield Insurance

Other carriers have extended their co-op programs to Advantage profiles when asked, so just because one of your lead carriers isn't named above doesn’t mean that they won't provide support.

How does it work?
The primary way that an Advantage profile helps your agency is because a Google search returns TrustedChoice.com content in position one, two or three on page one for over 10,500 insurance key words.

That means that Google believes that the TrustedChoice.com topic on those keywords is one of the top three most authoritative on the internet.

After the buyer does their research and looks to find an agency who can write their business, nearby Advantage agencies are prominently featured.

Get your agency off to a great marketing start in 2017 by signing up for an Advantage profile today!

Call TrustedChoice.com today at 855-372-0070 for more information.
Chesapeake Employers Insurance Announces Promotions and Executive Title Change

(TOWSON, Md.) — Maryland-based workers’ compensation insurance company, Chesapeake Employers Insurance, announces the promotion of executives Carmine D’Alessandro and Sharon Rowell and a new title for Paige Beck.

**Carmine D’Alessandro** was recently promoted to Chief Legal Officer. In this position, Mr. D’Alessandro oversees the Legal, Subrogation, Special Investigations, Premium Audit and Compliance functions. Prior to this promotion, Mr. D’Alessandro was the Vice President of Legal for Chesapeake Employers Insurance.

Mr. D’Alessandro joined the company in July 1994 and has served as an attorney with the Legal department; Director of the Legal department; and Assistant Vice President of Claims, where his responsibilities included the management of the company’s private claims; and Assistant Vice President of Legal Services. He received his bachelor’s degree from George Washington University in 1990 and his J.D. degree from the University of Baltimore School of Law in 1993. Mr. D’Alessandro is a member of the Maryland Bar, the District of Columbia Bar, Maryland Defense Counsel and the Baltimore County Bar Association.

**Sharon Rowell** was recently promoted to Chief Administrative Officer (CAO). In this position, Ms. Rowell oversees Human Resources, Marketing and Business Development, the Customer Contact Center, and the Distribution department for Chesapeake Employers. Prior to her promotion, Ms. Rowell was Vice President of Marketing and Business Development for the company.

Ms. Rowell’s previous positions with Chesapeake Employers include Assistant Vice President of Marketing and Business Development, Director of the Strategic Business Unit (SBU), and Director of Premium Audit. Her professional career with Chesapeake Employers also includes positions held in the Claims Management, Internal Audit, and Finance departments. Prior to joining the Chesapeake Employers’ team, Ms. Rowell worked with Maryland’s Office of Legislative Audits. Ms. Rowell earned a bachelor’s degree in accounting from Bowie State University in Maryland and a Master’s of Business Administration from the University of Central Michigan.

The title for **Paige Beck**, CPA, recently changed to Chief Innovation Officer at Chesapeake Employers Insurance. As CIO, Ms. Beck oversees the Information Systems and Underwriting departments as well as the implementation of the company’s new core system. Previously, Ms. Beck was Chief Administrative Officer for Chesapeake Employers.

During her 20-plus-year tenure with the Towson-based insurer, Ms. Beck has served as CFO/CAO, head of the Internal Audit department and as Assistant Vice President of Finance. Prior to joining the company, she was employed with the Office of Legislative Audits. She is a member of the Maryland Association of Certified Public Accountants and a graduate of Towson University where she earned a bachelor’s degree in accounting.
Current Trends in the Long-Term Care Market

by Scott Zilber

The Long-Term Care market has gone through many changes over the last 5 years and 2016 was no different. Some carriers pulled their traditional LTC products from the market while renewing their resolve in LTC riders, other carriers restricted how their LTC products were distributed and some exited the market all together. It wasn’t all bad, we had several carriers come to market with new products. With all of the movement in the LTC market it’s sometimes hard to point to what we know and don’t know……

Long-Term Care Costs in the Baltimore Region:

<table>
<thead>
<tr>
<th>Maryland: Baltimore Region</th>
<th>Length of Care</th>
<th>Annual Cost Today 1</th>
<th>Annual Cost in 25 Years 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NURSING HOME COSTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Room</td>
<td>1 Year</td>
<td>$111,221</td>
<td>$303,707</td>
</tr>
<tr>
<td>Semi Private Room</td>
<td>1 year</td>
<td>$106,059</td>
<td>$289,611</td>
</tr>
<tr>
<td><strong>HOME HEALTH COSTS</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Home Health Aide 2</td>
<td>1 Year</td>
<td>$34,065</td>
<td>$93,020</td>
</tr>
<tr>
<td><strong>ADULT DAY CARE COSTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult Day Care 3</td>
<td>1 Year</td>
<td>$20,153</td>
<td>$20,153</td>
</tr>
<tr>
<td><strong>ASSISTED LIVING COSTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private, One Bedroom</td>
<td>1 Year</td>
<td>$43,524</td>
<td>$43,524</td>
</tr>
</tbody>
</table>

2. Home health aide costs are based on six hours of care per day, five days a week.
3. Adult day care costs are based on five days of care per week.
4. Actual inflation rate may vary. Historical changes in the CPI may not be indicative of future results. Assumed rate of inflation is hypothetical, based on a 4.1% average annual increase in the Consumer Price Index for All-Urban Consumers (CPI-U) for the 50-year period ending 12/31/15. CPI-related data obtained from the Bureau of Labor Statistics of the U.S Department of Labor at www.bls.gov

(Con’t on page 22)
Three things we don't know:
1. At what age our clients need Long-Term Care
2. How long will our clients need care
3. What will Long-Term care costs be at the time of care

Three things we know:
1. The costs associated with providing Long-Term Care in the United States continue to increase.
2. 70% of people in the U.S. over the age of 65 will require some kind of LTC.
3. There are many great options for clients today that offer both flexibility and a combination of benefits.
4. (BONUS) We need to talk to our clients about Long-Term Care planning.

Planning for LTC Needs and Coverage In 2017
To develop a successful plan and design the appropriate protection the client must first understand and acknowledge the risk. Skipping that step dooms you to failure. Once the client has a good understanding of the risk and the value of insuring the risk you can set about designing the right insurance to protect 'the plan'.

Selling traditional LTC insurance can sometimes feel like trying to fit a square peg in a round hole. It is just not the right product for every client. The products, features and options available today make it much easier to find the right fit for your client.

You are no longer restricted to only traditional long term care insurance coverage. In today’s market the advisor has multiple solutions to offer your clients. Traditional plans have been honed and polished to allow you to offer a multitude of choices and designs to meet benefits goals and budgetary requirements. In recent years the linked benefit plans or Life Insurance policies with LTC riders have gained market share with more companies offering them and positive changes in their plan designs, options and features.

With some of the traditional plans on the market today you almost have two products within one policy as you can combine a reimbursement benefit with a home care cash benefit. The importance of the cash benefit for home care is the ability to pay anyone you choose to provide your care, including family members. Cash benefits are always the most flexible and least restrictive and certainly satisfy specific needs a client may have voiced.

Linked benefit plans link either a life insurance policy or an annuity with a long term care benefit. If the insured uses the long term care benefit in the policy, the life or annuity benefit will be affected and potentially exhausted.

Often either a traditional product or linked benefit product will be the perfect fit for your client however there is nothing that says you cannot or should not use more than one plan to provide the total desired protection.

It is important to understand how all of the available plans work and that you clearly explain them to your client. Many clients are not even aware that hybrid and combination products exist in the marketplace. When it is the right fit for the client they can be an excellent risk solution, and can make a clear compliment to other products the client may have already put in force.

For help designing a plan for your clients please contact:
Scott A. Zilber / Life Sales Consultant / 1-800-729-6007
DATA BREACH COVERAGE FOR YOUR INDEPENDENT INSURANCE AGENCY

EXCLUSIVE TO MEMBERS OF THE INDEPENDENT INSURANCE AGENTS OF MARYLAND

The Beazley Breach Response® policy was created and tailored to the needs of independent agents. Slot rated premiums exclusive to members of the Independent Insurance Agents of Maryland start at $250.00, plus MD SL Tax. Coverage is provided on a Non-Admitted basis through Beazley syndicates at Lloyds. Applications can be found at www.iiamd.org/databreach.

Can your agency afford a Data Breach?

According to the Ponemon Institute research findings, the United States per record cost of data breach averages $221.00. The cost per record breached ranges from $355 for healthcare organizations to $172 for the retail industry and $129 for transportation companies.

A single laptop left on a commuter train or stolen at an airport can cost an agent nearly $50,000 – most of that being expenses to respond to data breached – or potentially breached.

Even if outsourcing data handling, the agency’s exposure stays in-house. Agencies often load data into third-party agency management or document management systems or outsource data storage to a cloud provider. Still, if your agency’s data is breached, you are obligated to respond. Some 70 percent of small businesses report that breaches are more likely to occur when outsourcing data.

Insurance Agents Professional Liability and Commercial Package policies may have a cyber liability extension, but the endorsements typically carry low limits and few options. First-party coverage limits may be inadequate and third-party liability coverage may fall short in key areas.

WHO’S IN YOUR CORNER?

Maintaining customer confidence is a primary concern when handling a data breach. Beazley is the only insurer with a dedicated in-house business unit that focuses exclusively on helping clients manage data breaches successfully. Policyholders are provided with risk management policies, procedures, training and other tools to help prevent a breach of confidential data through www.BeazleyBreachSolutions.com.

Agencies who can answer “YES” to any of the following need Data Breach Coverage:

- Do you have employees?
- Do you keep employee records?
- Do your client records include third party corporate information (company financials)?
- Do you handle personal lines?
- Do you offer premium financing?

NEW!

Enhancement Endorsements available for a 5% additional premium:
- Consequential Reputational Loss
- Electronic Crime
- Fraudulent Instruction Coverage
- Telecommunications Fraud
- Criminal Reward Coverage

Completed applications & questions should be directed to: Carla M. McGee, RPLU, ACSR 410-766-0600 x 100 or carla@iiamd.org

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1Ponemon Institute, www.ponemon.org (Also citation 3) 2California Attorney General/PrivacyRights.org
If You’re a Lawyer, You Don’t Need to Read This. But If Not, Please Read This Carefully.

By Richard F. Lund, J.D., Vice President, Senior Underwriter, Swiss Re Corporate Solutions*

Insurance agents and brokers should be wary of commercial insurance customers trying to impose unreasonable and potentially illegal heightened duties on them. Improvements to state laws have limited the ability for customers to ask agents to make changes to the standard ACORD 24 and 25 Certificate of Insurance forms. Instead, many commercial insurance customers are seeking “guarantees” from their agents and brokers that their insurance policies comply with insurance provisions of their contracts with third parties. These customers are looking to hold their agents responsible if a loss occurs that is not covered by those policies, regardless of whether the agent had any existing duty under state law.

Case in point: We have seen a recent trend of commercial insurance customers requiring that their agent sign a document stating that should any insurance policies procured by the agency not comply with insurance provisions of a contract to which the customer is a party, then the agent would be liable for any uncovered losses. While this may appear to be straightforward, it actually requires that the agent act as a lawyer without the benefit of having attended law school or passing the bar exam. Consider the following statement contained in a document that was recently presented to a Swiss Re Corporate Solutions E&O insured for them to sign:

"I agree that the above referenced policy/policies meet or exceed the insurance requirements set forth in the contract provided by (name of commercial insurance customer). In addition, I agree to provide written notice if and when the policy/policies ever change to the extent that it no longer meets your insurance requirements."

The first sentence requires that the agent: 1. Review a written contract (the insurance policy/policies), 2. Compare it to the contract between the customer and the third party, and 3. Provide a legal opinion that the insurance meets all of the criteria set forth in the contract. In baseball terms, three strikes and you’re out! Unless the agent is also a licensed attorney, they would not have the capacity to provide this legal opinion and, if they nonetheless attempt to do so, they could be subject to penalties for practicing law without a license.

The second sentence requires: 1. notice that is not required by an insurance policy, and 2. that the agent stay in constant contact with the customer to determine if any changes have taken place that would necessitate changes in the policies. This sentence is attempting to take the place of the ACORD Certificate of Insurance, and imposes duties that are not found on those certificates. If the customer attempted to require that they make the change to the certificate, they could be in violation of state law. The sentence is creating legal duties for the agent that they would not otherwise have.

So what should you do if you are presented with this or any similar type of document? If your customer presents you with a written contract that includes insurance provisions setting forth the types of coverages they are to obtain, you should review them with the customer, clarify any ambiguities, and attempt to obtain the coverages. The general obligation of agents is to provide those insurance coverages requested by their customer, or to notify them if they are unable to do so. While individual state laws may create greater or lesser duties, this is the agent’s primary obligation. If you are unable to provide the coverages, you must notify them immediately so that they can take appropriate action as they are required under their contract. Remember, you are NOT a party to the contract between the customer and the third party. Your only obligation is to obtain those coverages that your customer has requested, except as otherwise required by state law. In no event should you ever agree to sign any document that would require you to make any legal interpretation about whether or not an insurance policy meets or exceeds a contractual provision.

This article is intended to be used for general informational purposes only and is not to be relied upon or used for any particular purpose. Swiss Re shall not be held responsible in any way for, and specifically disclaims any liability arising out of or in any way connected to, reliance on or use of any of the information contained or referenced in this article. The information contained or referenced in this article is not intended to constitute and should not be considered legal, accounting or professional advice, nor shall it serve as a substitute for the recipient obtaining such advice. The views expressed in this article do not necessarily represent the views of the Swiss Re Group ("Swiss Re") and/or its subsidiaries and/or management and/or shareholders.

*Richard F. Lund, JD, is a Vice President and Senior Underwriter of Swiss Re Corporate Solutions, underwriting insurance agents errors and omissions coverage. He has also been an insurance agents E&O claims counsel and has written and presented numerous E&O risk management/loss control seminars, mock trials and articles nationwide since 1992.

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Our Umbrella Programs Give You More Options

Preferred Property Program gives you broader, more flexible coverage with a range of limits

Fast service and more security are what you get with Preferred Property Program. Our umbrella liability policies are written by XL Insurance with Chubb Insurance Group for excess layer – two of the industry’s most highly rated carriers.

- Options of $5 to $50 million in umbrella coverage.
- Hi-Rise apartments up to 35 stories eligible.
- Developer-sponsored board eligible.
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ACSR 1 - Homeowners Insurance
Pamela Dodge, CIC, CPIA
9:00 AM - 3:30 PM

January 11, 2017
ACSR 6 - Commercial Property Insurance
Don Dudey, CPCU
9:00 AM - 3:30 PM

January 16-20, 2017
Property & Casualty Pre-Licensing
Joseph Conroy, ACSR
9:00 AM - 4:30 PM

January 24, 2017
AAI 81A - Principles of Insurance
Nancy Nicklow, CPCU, AAI
9:00 AM - 4:30 PM

February 2, 2017
E&O Risk Management
Meeting the Challenges of Change
Stanley Lipshultz, CPCU
9:00 AM - 3:30 PM

February 8, 2017
ACSR 7 - Commercial Liability Insurance
Don Dudey, CPCU
9:00 AM - 3:30 PM

February 9, 2017
ACSR 2 - Personal Automobile Insurance
Pamela Dodge, CIC, CPIA
9:00 AM - 3:30 PM

February 28, 2017
AAI 81B - Personal Insurance
Pamela Dodge, CIC, CPIA
9:00 AM - 4:30 PM

Maryland Insurance Agents Political Action Committee

Gives Agents a Voice in Annapolis

Purpose: MAPAC is managed at the state level by IIAM members. The PAC contributes to candidates for Maryland Senate and Maryland House of Representatives who support small business, the independent agency system, and a competitive insurance marketplace.

Giving: IIAM recognizes all donors.

Who Can Give: Businesses and individuals may contribute to MAPAC.

How to Contribute: Send a check made payable to MAPAC and send it to IIAM/PAC; 2408 Peppermint Drive, Suite A; Glen Burnie, Maryland 21061.

InsurPAC

Gives Agents a Voice in Washington

Purpose: InsurPAC is affiliated with the Independent Insurance Agents & Brokers of American (The Big ‘I’). The PAC contributes to Congressional and U.S. Senate candidates who support small business and the American independent agency system.

Giving Levels: InsurPAC recognizes donors who contribute at giving levels ranging from $150-$5,000.

Who Can Give: Only individuals may contribute to InsurPAC. Corporations are prohibited from contributing to a federal PAC.

How to Contribute: Visit and contribute through IIABA’s website at www.insurpac@iiaba.net.

Questions, contact our PAC chair: Angela Ripley at 410-910-0212 or email her at aripley@vwbrown.com.
Broader small commercial options now available on Big “I” Markets at www.bigimarkets.com put choice and quality at your fingertips. CNA and RLI/CBIC’s Mainstreet will be joining Travelers Select as available carriers. Further broadening the program options, excess and surplus lines through Gridiron and small contractors through RLI/CBIC will be available. Submit one application and select from available carriers online, with separate applications required for the Excess & Surplus lines product and Small Contractor Product. Here is a summary of the new product line-up:

**Travelers Select®**
Travelers Select Accounts offers a robust variety of coverages for small businesses. A proprietary BOP product, Master Pac®, Workers’ Compensation, Commercial Automobile, and Commercial Umbrella are available, with a broad array of industry-specific coverage options and coverage extensions.

**AVAILABILITY**
Travelers is available in all states except AK, FL, HI, LA, RI & TX.

**CNA Small Business**
CNA Small Business currently offers a market for a broad variety of businesses, representing Healthcare, Financial Institutions, Professional Services, Business Services, Technology, Retail, Real Estate, Wholesalers and Manufacturing. BOP, Workers Compensation, Commercial Automobile, and Umbrella and Miscellaneous Professional Liability products are available.

**AVAILABILITY**
CNA is available in all states except AK & HI.

**RLI/CBIC’s Mainstreet**
RLI/CBIC offers a wide variety of accounts in the service, retail, light manufacturing, construction and hospitality sectors. Package and BOP products are available.

**AVAILABILITY**
RLI/CBIC is available in AZ, CA, ID, ND, NM, NV, OR, & WA.

**Excess and Surplus Lines**
Gridiron offers over 350 eligible package classifications designed for small business. Package select business for coastal and non-coastal risks.

**AVAILABILITY**
Gridiron is available in AL, CA, CT, FL, GA, LA, MD, MA, MS, NJ, NY, NC, OR, PA, SC, TX, VA, & WA.

**Small Contractors Market**
RLI/CBIC designed to meet the needs of small to medium-sized artisan and general contractors specializing in residential and light commercial projects.

**AVAILABILITY**
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Questions? Please contact Big “I” Markets Commercial Underwriter Tom Spires at tom.spires@iiaba.net or visit www.bigimarkets.com.
Did you know that Chesapeake Employers Insurance, in conjunction with Zurich North America, has expanded Other States Coverage for workers’ comp?

Coverage for a Maryland-based company with some employees working for extended periods of time or permanently located in another state may require an Other States Coverage policy through Chesapeake Employers.

For your clients’ coverage needs in these situations, Chesapeake Employers has teamed with Zurich North America to provide an insurance solution in all U.S. states except North Dakota, Ohio, Washington, Wyoming, U.S. Virgin Islands and Puerto Rico.

Contact your Chesapeake Employers’ underwriter or territorial account executive to learn how Chesapeake Employers builds the bridges necessary to keep all your Maryland-based business clients covered.