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EFFICIENCY RANT

I recently sat in a room with five, what I consider to be, smart agency owners. A few of these individuals are on my short list of who to call for that, “how would you handle this” situations. The topic of personal lines rating came up and I was astounded to learn not one utilized a third party rating program (nor uploaded from their management system). A few said they had tried it but it didn’t work. Again, none could tell me why it didn’t work and answered that they used the company proprietary rating programs.

Really?!

What I’m addressing here is one small cog of the problematic multiple data entry world in which most agencies live. I am going to ask you, especially if you are an owner or manager of a smaller shop, to pay attention to something we have been ignoring for a decade.

Agency owners are constantly looking for ways to make their agencies more efficient. Less wasted time means more time nurturing existing clients and chasing down new opportunities, the lifeblood of any agency. To these ends, management invests in multiple monitors, headsets, the latest and greatest agency management systems, proposal systems, online research sites, coverage education, client service training, and a multitude of other tools. We believe we are the picture of efficiency.

Then it happens. We (“we” = agency principals mostly) bring a personal lines prospect to a staff member to “rate up” and we walk away to wait for the results, having very little idea what happens from that moment until the proposal shows up on our desk.

Does your agency have a third party personal lines multiple company rating system in place? If so, is it fully utilized or does most staff continue to go to proprietary company rating programs depending on the “feel” for where the account should be placed? There is no doubt that many seasoned CSR’s have this intuitive knowledge for the typical account but with personal lines carriers having dozens of possible rating tiers, credit rating algorithms, package discounts, and upfront payment discounts, is it really possible to know the best carrier for that account? I would argue no (and I would truly love to see some empirical evidence to the contrary and invite anyone to help me test). Is depending on feel and going to one proprietary carrier site efficient? Are we even certain it’s the best action for the client?

Let’s add to the above all the time wasted on webinars, seminars and agency visits, not in developing insurance knowledge or client service skills, but learning the latest and greatest upgrade to each of the company proprietary programs. Any efficiencies there?

Finally, what is the E&O exposure of entering that data two and three times in different proprietary sites?

The most common argument I hear explaining why agencies don’t use third party raters is that they are not accurate. My personal experience is that they are much more accurate than in the past. Carriers have become reluctant to ignore them because they don’t want to be left out. Many carriers make it a practice to test their rates in various third party programs. With few exceptions, the ranking in regards to price (even when the premium is not exact) is accurate. Also, the vast majority of the third party raters will move the rating information directly to the carrier rating engine for confirmation and company issuance of the policy.

The solution is obviously to use Single Entry Multiple Company Interface (“SEMCII”) you know, the utopia that we have been 2 years away from for the last 20 years (another rant for another time). A very good mid-term solution is fully utilizing third party multiple company rating programs (ideally, still pulling the data from your agency management system and pushing the basic rate information to the carrier website for issue) but it goes beyond that. We need to continually impress on our company partners how expensive it is for their agency partners to manage carrier proprietary raters. As agency owners and managers our blood should start to boil whenever we see staff walk into the conference room for the 60 minute class on “version 2.3.600A” of a carrier rating site.

What do you think?

* Before you blast me for suggesting that the best company for the client is the one that comes to the top of the multiple company rating program (the cheapest), let me add this caveat. It’s not. What is true is that price is the driving force in the purchasing decision and a strong argument can be made that the “soft factor” decisions can be more easily evaluated and compared when we know the least expensive three or four carriers.

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Ask the Right Questions
By Matt Davis, J.D.

Nobel laureate Naguib Mahfouz once observed that, “You can tell whether a man is clever by his answers. You can tell whether a man is wise by his questions.” Mahfouz would make an excellent insurance agent.

In an age that attaches great value to the ubiquitous, standardized FAQ, the wise insurance professional never forgets that if you want the right answers, you have to ask the right questions.

Consider this scenario: Widget Co. has been in the widget business for 125 years, but is in the market for a new broker to handle its insurance. The company’s CEO, Mr. Widget, has seen and liked your agency’s billboard (which proclaims, “At Expert Insurance, we’ll take care of all your insurance needs!”), and schedules a meeting at your office.

Without knowing what a widget is and despite not getting a word in edgewise, you get the business in five minutes. Based on his years of experience in the industry, Mr. Widget confidently tells you what type of coverage he wants, what limits he needs, and where his business is located. “Business is booming!” he proclaims, heading out the door. “We’re even looking at acquiring the warehouse next door!”

You promptly submit an application based on information gathered during your conversation and obtain a quote that you pass on by email. He accepts by reply email a short while later and you place coverage the same day, exactly as ordered.

Several months later, Widget Co. suffers a fire at both warehouses—the old and the new. The buildings are a total loss, as is the stock inside. The claims adjuster at the scene delivers bad news: the stock coverage is limited to $100,000. Plus, the policy’s coinsurance clause will likely come into play given the $500,000 limit on the structure, which, by her estimation, will cost $2.5 million to rebuild. And what of the new warehouse next door (just the other side of State Line Road) that sustained damage as well? Not covered at all. Nor, it seems, are the injured, non-resident employees working in that out-of-state facility.

When you ask Mr. Widget how much stock was on hand, he recites from memory, “$250,000—in preparation for the holidays, of course.” When you nervously inquire how long the building had had $500,000 in coverage because there may be a problem with the policy’s coinsurance clause, he confidently tells you, “Since 1976, when I took over as CEO.” He then pauses, wrinkles his brow and asks, “What’s a coinsurance clause?”

You did exactly as you were told, but your E&O carrier tells you the agency may face a six-figure exposure on the facts of this case. What went wrong?
You followed your instructions to the letter, but your duty to the customer may have gone beyond simply filling an order. Given your boast that “We’ll take care of all your insurance needs,” Widget may assert that you created a “special relationship” as a result of which you owe a “professional standard of care”: to inquire and advise insureds about available coverage(s) and examine the policy to be sure it meets the insured’s needs.

So what is being insured? You have

(Con’t on page 6)
(Con’t from page 5)

no idea. You passively accepted your customer’s confident opinions about what he wanted and was willing to pay for.

The customer indicated that he was looking into acquiring another warehouse, but you never asked the follow-up question: Did you buy it? If you had, you might have noticed that the second warehouse and its workers were located in another state.

It is exceedingly common to meet customers who think that because they are experts in their own fields, they are experts in yours, as well. Be patient with this customer, but never forget: he may be “smart,” but you still need to be wise.

Ask the right question!

When assessing your own operation and current procedures, begin by asking what the law is in your state—and your customer’s—regarding the duty of a broker to his customer. Failure to procure coverage and failure to analyze risks accurately are the leading drivers of E&O claims. A broker must have a thorough knowledge of their customer’s business, so the first step in placing coverage for a new customer is understanding its operation(s) and exposure(s) to loss.

What is the “order” from the customer? If you are uncertain whether coverage is sought for a particular property or peril, always err on the side of circling back—sooner rather than later.

Next specify what responsibilities each of you has going forward, and in what timeframe.

Deliver a copy of the policy to your customer ASAP with a strongly-worded, conspicuous request that he review it carefully to ensure that it contains the coverages and limits requested and contact you with any questions, concerns or changes in circumstances. Be prepared to explain key elements of the policy to the customer. If terms are defined in the policy, always refer to the policy definition.

Matt Davis, J.D. is assistant vice president, claims and liabilities, with Swiss Re Corporate Solutions and handles claims against insurance professionals.

For additional information with respects to ‘Duty to Advise’ and ‘Standard of Care’, visit www.iiaba.net/ehappens
Winter Weather Patterns Can Increase Risk for Flooding

Take Steps to Prepare Now and Protect Yourself and Your Family

Washington, D.C., — Floods are a year-round hazard and do not end when cold weather begins. The coming months can bring about a range of conditions across the country that could affect your community. Areas that receive less snow and rain this winter season may later experience drought-like conditions that, when it does rain, can lead to flash flooding. The onset of seasonal rains and snowmelt can also lead to flooding. FEMA encourages citizens to understand the unique flood risks associated with winter weather, and prepare now with an emergency plan, which may include purchasing flood insurance to protect property and possessions from flood damage.

Across the country, particularly in the Midwest and Northeast, heavy snowfall, ice jams, rapid snowmelt, and intense rainstorms caused by fluctuating temperatures can all increase the likelihood and the severity of localized flooding. The good news is that there are simple steps that citizens can take to address these risks. These include having an emergency supply kit with items such as non-perishable food, water, a flashlight with batteries, and a family emergency plan that considers your insurance coverage, especially flood insurance. Anyone can visit Ready.gov for helpful tips on how to prepare for the risks associated with flooding.

“When it comes to reducing the vulnerability to natural disasters, the whole community has a role to play, and that includes individual citizens,” said David Miller, associate administrator for FEMA’s Federal Insurance and Mitigation Administration. “One of the most critical ways residents can protect their homes and businesses from the severe weather that may cause flooding is to obtain flood insurance.”

Many people mistakenly believe that their homeowners insurance covers flood damage. Only flood insurance financially protects properties from flooding, which is the nation’s most common and costly natural disaster. However, it typically takes 30 days for a new flood insurance policy to take effect, so residents should not wait for a storm to strike before purchasing coverage. It only takes a few inches of water in a home or business to cause thousands of dollars of damage. The time to get protected is now.

Between 2006 and 2010, the average flood claim was nearly $34,000. That’s more than many survivors can afford to pay out of pocket for damages due to flooding. While no one wants a flood to impact them, with federally backed flood insurance, citizens have an important financial safety net to help cover costs to repair or rebuild if a flood should strike. Individuals can learn more about flood risk and their options for insurance coverage by visiting FloodSmart.gov or by calling 1-800-427-2419.

See separate article on FEMA remapping and E&O exposures on page 8.
FEMA Remapping and E&O Exposures

Our Association is concerned about the FEMA remapping and the fact that many areas previously zoned as a moderate to high flood zone are now being remapped as low potential zone, some changing from a V zone to an X zone. This means that many that were required to purchase flood due to their mortgage company, will no longer be required to purchase the coverage. Agents need to inform their insureds of the continued risk and costs if uninsured.

We suggest that agents use the following notice, on their letterhead, and include with that notice the ACORD 60 (2010/04) which clearly provides the opportunity for the insured to reject suggested flood coverage from any market, not just NFIP.

For more information about the remapping see https://msc.fema.gov/portal/.

Important Information Regarding your Flood Insurance

Due to the recent Flood Hazzard remapping by FEMA, you may have been contacted by your mortgage company advising Flood Coverage is no longer mandatory in your area. While your mortgage carrier may not require Flood Coverage, we recommend maintaining your Flood Coverage.

A flood is a general and temporary condition where two or more acres of normally dry land or two or more properties are inundated by water or mudflow. Many conditions can result in a flood: hurricanes, overtopped levees, outdated or clogged drainage systems and rapid accumulation of rainfall.

Anyone can be financially vulnerable to floods. In fact, people outside of mapped high risk flood areas file over 20-percent of all National Flood Insurance Program flood insurance claims and receive one-third of Federal Disaster Assistance for flooding.

Please complete the attached and send it to your agent (provide agent’s contact information).
I woke up at some ungodly hour this morning and couldn’t get back to sleep. After tossing and turning for fifteen minutes—I was too tired to get up and too restless to sleep, I did what most people now do under such circumstances. I grabbed my phone and started looking at my emails to see whether anything ‘important’ happened since I had last looked at my device.

After finding that remarkably nothing had happened, I started to email my staff about odds and ends that had crossed my mind. Surprisingly, I received two immediate responses. I had to ask myself—and my staff—“what the heck were we doing?” Every successful person will tell you that one of the keys to success is responsiveness. Responsive people capture and keep clients. Responsive people are viewed as energetic while unresponsive business people are viewed as tired. But the question that all business people must ask themselves is “Do I really need to be connected 24/7?”

In considering this question, I found that there are several legal issues that suggest that constant connection is undesirable and potentially costly.

When an hourly employee answers calls, responds to texts, or reviews emails, he/she may have a right to be paid for their time. In one large urban city, 50 police officers are suing to collect overtime pay for off-duty hours they spent answering work emails, texts, and phone calls on their company-issued mobile devices. Surveys show that many supervisors think that it is okay to contact a worker after hours about non-emergency issues. These same surveys show that it is routine for employees to respond to emails while on vacation. The implications of such statistics—and all the potential overtime pay that this type of activity might represent—is enough to keep a person awake at night.

The United States Department of Labor’s recent announcement about new rules on overtime pay (increase the current overtime threshold -- $23,660 per year -- to as much as $52,000) will likely cause managers to ask “how should I be interacting with employees after hours?” (see also cover article).

We managers will need to learn to manage expectations—both of ourselves and our clients. It is unrealistic to send a non-emergency email to an employee at 11 o’clock at night and then expect an immediate response. To prevent wage hour issues, we supervisors need to tell employees that they will not be in trouble if they do not immediately respond to off-hour communications.

Similarly, businesses will have to learn how to establish communication procedures for employees who are out ill or on disability. While every company’s needs are different, some businesses have implemented policies so that employees out on leave do have access to company email systems. Other businesses make employees who are out on leave (including maternity leave) sign forms indicating that they will not do any work while out on leave.

So while I love my devices, I have come to the conclusion that there is a danger of being too connected. For both my own sanity (both practical sanity and legal sanity) and that of my staff, I need to set expectations for myself and my staff about being too responsive. No one needs to send or respond to middle of the night emails.
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Retain Customers and Grow Your Book
(IIABA’s Customer Service Experience)

Retaining your clients is one of the most important aspects of your agency’s operation. It takes hard work to bring new clients to your agency, whether that be through online or offline efforts, so it is critical that you work to keep them more than satisfied once they become your insureds.

Unfortunately, for many reasons, many agency owners focus much more on the sale and not enough on the retention when it comes to their clients. In order to maintain clients and have them to continue to come back and bring friends and family via referrals, savvy agency owners put in the effort to ensure that their retention strategies are as focused and measurable as their sales strategies.

Fun Fact: Many studies have shown that $1 paid towards customer retention increases profits by more than $5 spent on new customer acquisition.

It is important to think of client retention as a sales strategy. If your insureds like you and the way you do business, they are going to send more business your way. Here are some ideas to consider to ensure that your insured retention rates remain high:

1. **Consider setting up a “Retention” Department.** This group would be in charge of insuring that all agency outreach is consistent and that every employee is held accountable for delivering an exceptional experience during every client contact. They should be creative and set up policies and procedures that ensure everyone is responsible for client retention. Reward success with small financial incentives if retention rates remain high!

2. **Institute a mandatory annual review of every insured.** It can be a 5-minute “hey, what’s new” phone call or an in-depth “live” meeting. The reviews conveys your interest in your insureds and provides you with the opportunity to show why working with your agency is providing them with expert advice and insurance knowledge to make them feel comfortable and secure with their insurance purchases.

3. **During those annual reviews, create a plan to cross-sell other insurance products.** Be able to point out the need for these products and how they will benefit their insurance portfolio. Remember, the more policies the insured has with your agency, the more likely they will be to stay!

4. **If you know that a price increase is coming, get in front of it with your insureds.** Give them a call and provide them with all the information that you have about the increase and how it may impact their premiums going forward. Provide them options that might help offset the increase and be able to explain the impact that their own actions may have had on the increase. They will respect your honesty and continue to value your advice in the future. Remember, an unexpected and unexplained premium is one of the biggest incentives for an insured to shop around for new coverage!

5. **Make insureds feel like family!** Send a birthday card, an anniversary card, a small gift for a new baby, or some flowers for a job promotion. If they feel like they are important to you and your agency, they will be much more likely to stay.

6. **Know that your clients might need your help to have a positive claims experience.** Proactively provide guidance on summiting a claim to the carrier and provide information on what to expect during the claims process. Consider providing all clients with a claims communication plan, which would provide them with a personal acknowledgement of the claim via a call, note or e-mail, with your contact information in the event of any issue, and provide them with a quick survey after the claim to ensure that everything was handled to their satisfaction.

For more information and helpful tools including:
- Lifetime Customer Value Worksheet
- Retain your Customers Checklist
- Clients for Life (VU Article)

Social Media and Its Impact on Client Retention

Social media is all about relationship building, so shouldn’t your existing customers be the best group to start your outreach with? People who have chosen to ‘like’ or ‘follow’ your agency tend to do so because they value the information you bring, or respect your thoughts on certain topics. These people can be your most loyal customers and elevate your brand awareness in the social sphere. They want to hear about your services and product, so it’s important to use these channels regularly to make sure you’re connecting with followers on a regular basis, ensuring they will reach out to you when they have a coverage question or need.

Social media has shifted power to the consumer and there are now new roles for buyer vs. seller. Even before your first meeting, many customers will have done reference checks and reviewed your agency’s reputation online on social media sites. Social media provides an opportunity for agencies to speak directly with their existing customers and reach new prospects. Responding to questions, concerns and other feedback will help boost your agency’s reputation. If your agency is using social media, how do you measure whether social media is affecting your ability to keep customers? Consider that while social media measurement is a fairly new, your non-social customers can help you establish a control group so that you can compare how social media is affecting both client retention and agency growth.

1. **Compare the retention rate of customers who came to your agency via social media channels versus those who didn’t**, whether it is through your customer service efforts and separately for any leads that have been generated. Each renewal is worth a certain amount of revenue to your agency. Assign an average dollar value to customers and compare the value of a social media customer versus a non-social media customer based on retention rates.

2. **Do the customers interacting with your agency on social media tend to also call your agency for help?** Generally, it costs significantly less to service a customer online. For the next month, keep a record of the number of customer interactions via phone vs online and the time spent on each interaction and calculate the cost of each interaction. You may be able to provide the client with the level of service they want at a cost savings to your agency!

3. **Social media may allow you to turn complaints into opportunities.** These would be customers who had an interaction with your agency that is leading toward a cancellation, but the customer either comes back or doesn’t cancel as a result of social media interaction. These customers are worth money to your agency and you will want to measure their value, as well as learn from the experience.

4. **Are your social media followers more or less likely to buy more coverage?** If they are following your agency online, reading your agency blogs that provide information about innovative insurance products, learning more about how to better protect their assets, it is likely that you will see more opportunities to cross-sell. Set up a system to calculate how much revenue was generated from cross-sells directly from social media compared to non-social media customers to establish a firm return on your investment.

**Social Media Concepts to Gain and Retain Customers**

Social Media is integral to purchase decisions

Types of online sources visited for company, brand or product info:

- 70% social media sites
- 68% company websites
- 7% online news
- 9% review sites
- 44% Wikipedia

Source: Market Definitive Guide to BtoB Social Media

- 83% of B2B or Professional Services buyers’ research online before making a purchase decision

Source: trovus.co.uk

- More than half of Facebook fans say social media influences their buying decisions and 67% of Twitter followers report the same.

Source: iModerate

Of adults under 35, more than half (52%) visit more than two websites before visiting a local business.

- 63% head to Google
- 24% visit Facebook
- 21% look to site reviews

(Con’t on page 13)
**Social Media is effective:**
- Companies that blog have 55% more website visitors than those without,
- 2/3 of marketers surveyed say their company blog is critical or important,
- B2B companies that blog get 67% more leads,
- Companies that use Twitter average two times more leads per month than those that don’t,
- 79% of U.S. Twitter users are more likely to recommend a brand they follow.

Source: Hubspot

**Your competitors are already online:**

Across all U.S. agency sizes,
- Facebook pages have an average of just over 200 Likes
- The average Twitter account has 440 followers
- Respondents in the $2.5MM-$5MM and $5MM-$10MM revenue ranges are the most active in social media

Source: BH Burke & Co., Inc., 2012

**How to Engage Users Online**

- **Own a topic. Be the expert.** Even when someone isn’t ready for a sale, positioning yourself as an expert plants seeds of opportunity. Fact is that 85% of all commercial accounts stay put every year. However, if you’re top of mind as an expert, you’re poised to claim a sale when the account might be ready for a switch.

Source: Rough Notes, Producer Self-Management article by John Love, 8/2011

- **Avoid heavy sales messaging.** Instead, tell the topic story from the customer’s viewpoint.
- **Don’t be a know-it-all. Own a few true specialties.**
- **Be creative with your message delivery.** Fifty-five percent of respondents said they would be more likely to consume white papers and analyst reports if they were delivered as podcasts.”

Source: Podcasts Penetrate B2B Mainstream, MarketingVOX

- **Encourage conversation.**
- **Reply promptly to customer comments.** Follow up more directly if necessary.
- **Make comments on other appropriate sites as well.** The more impressions you leave online, the larger your footprint and the better your search engine results will become.
- **Be genuine.** Phony, canned responses that sound like a corporate speech track will do more harm than silence. In social media, it’s ok to sound approachable, human and… social.

**It goes beyond social media. Customers expect today’s businesses to be technologically saavy.**

People regularly use online reservation tools, purchase from online retailers and want the 24/7 flexibility only available through technology.

- **Utilize survey tools** such as Survey Monkey or Zoomerang to elicit regular feedback from both potential and current customers.
- **Don’t be afraid to ask “How are we doing?”** Asking won’t change the reality. But not asking might mask a potential problem and lead to the loss of an account.
- **Ask specific, pointed questions** and make the survey itself as short as possible.
- **No more than four surveys a year.**
- **Screen your invite list** to ensure you are asking only relevant respondents for feedback.

**Automate and create as much 24/7 online access for the client as possible.**

- **Technology has bred impatience.** Customers want to have their answers on their own schedule.
- **Investigate opportunities for secure self-service portals and online customer service centers.** But remember even with automation, technology cannot replace a real person. Provide easy access to a live customer service rep.
- **Redirect time savings created by technology back to client retention and new business.** Be very conscious of this available opportunity and attack it with measured planning.
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For more information or to contact your state’s administrator, visit www.iiaba.net/RLI.
T'was the night before Christmas, and all through the land
Few Coverage advisors were still in demand
The policies still showed on both desk and on screen,
My eyes only open with thanks to caffeine.

Most company's adjusters had left for the day,
And most coverage lawyers had little to say.
It was surely the moment to turn out the light,
Shut down the computer, put work out of sight.

Then the phone started chirping, it startled my poise,
Not the typical ring-tone, but an odd sounding noise.
It jingled like sleigh bells, instead of a “ding”;
I knew I must answer, despite everything.

A Christmas Eve caller? What could be the need?
But the sound of the music, would just not recede.
I was really not looking for Christmas Eve banter,
Imagine my shock when the caller was Santa.

“I need some advice, sir” said a somber Saint Nick,
“My Christmas Even Policy is three inches thick.
I don’t mean to bother, but I’m wrought with confusion
I don’t understand this new ‘Gifting Exclusion’.”

“It carves out the nasties, the mean and the haughty.
It favors the good ones and leaves out the naughty.
My coverage appears to have holes like Swiss Cheese,
I’m afraid if I’m sued, I will twist in the breeze.

“A products exclusion? A chimney one too?
Elf employment exception, I’m screwed through and through.
Just what is still covered? I sure am confused
With all of these issues, I fear that I’m grounded.”

“With a sleigh full of sacks and reindeer at the ready,
I’m starting to feel just a tad too unsteady.
My belly has acid, my knees are a ‘quiver’
With millions and millions of toys to deliver.”

“We want you to help me, I fear a disclaimer.
This policy’s scary; I need you to tame her.
We must surely save Christmas, for good girls and boys,
And Amazon won’t refund ‘squat’ on the toys”.

The holiday challenged, I sure knew my mission
We needed to craft a new ISO edition
Santa needed an ally, a comrade, a fighter
On the opposite side was a Grinch Underwriter.

I am sure you'd imagine how hard it would be
To secure for Saint Nick a late night policy,
Without coverage gaps, so that Santa could fly,
To save Christmas Day, we were destined to try.

The person in charge of the coverage for Nick,
Had left the shop early, was feeling quite sick.
Perhaps it was sadness, or guilt or just gumption,
He thought he’d killed Christmas, a well-placed assumption.

In order to soften his hardening heart,
we had to play coy, we had to be smart.
We needed to dazzle that Grinch with our guile,
To show him the risk was sure worth his while.

Worst yet, betwixt and between stood a broker,
A bloodsucker culled from the mind of Bram Stoker.
Through him we must go, around or about,
He'd bring pressure to bear, he's really got clout.

It’s Santa,” we’d say, “who’d sue him for cash?”
“Another broker can get us a better deal in a flash.
We’ll go to the market if a deal can’t be made;”
The Grinch saw his bonus beginning to fade.

From the cream of the crop, a new team we’d assemble,
To get Santa protection, to weaken his tremble
We’d send out the email, we’d tweet and we’d twitter
We needed to find the best of the letter.

The other apt choice, as the time slipped on by,
was to use those fine people to make him comply.
By plane and by car, by boat and by train,
We beckoned this family to join in refrain.

And gather they did, first a few then a score,
Lawyers and brokers, claims folks and more
More than a choir, it was surely a throng,
Together they gave voice to a beautiful song.

And they reached that man’s spirit, his heart and his soul,
And in no time at all, they’d accomplished their goal.
“Give me my pen”, the Grinch yelled to his clerk.
I knew then and there that our ploy, it had worked.

Exclusions be gone! Limitations not there!
We’ll provide him his coverage, no need to beware”.
And so it was written, and Santa could jet,
And Christmas was saved, the best Yuletide yet.

One cold winter night, when you’re hearing his jingle,
When the children are sleeping and in comes Kris Kringle,
Remember that coverage protected his flight
Happy Christmas to all, and to all a good night.

Our thanks to Michael Loguercio for providing us permission to print his Christmas poem. Michael is Regional Sales Manager at EZLynx and is a regular columnist for ‘The Insurance Advocate’ magazine. You may follow Michael on Twitter @MLoguercioJr and on Facebook @Michael Anthony Loguercio Jr.
Chesapeake Employers Promotes Tammy Johnson to SBU Director

(TOWSON, Md.)—Tammy Johnson, Esq., was recently promoted to Director of the Strategic Business Unit at Chesapeake Employers’ Insurance Company. In this position, Tammy and the SBU team are responsible for providing a high level of customer service to governmental and direct sale policyholders throughout Maryland. Previously, she was a Senior Attorney in the company’s Legal department. Tammy joined Chesapeake Employers as an Attorney in 2005. Her previous experience includes working as a public defender and a claims adjuster. Tammy possesses a bachelor’s degree in political science from Old Dominion University and a juris doctor degree from the University of Baltimore School of Law.

About Chesapeake Employers
Chesapeake Employers’ Insurance Company is Maryland’s largest writer of workers’ compensation insurance. It is a nonprofit, non-stock, private corporation. Formerly known as IWIF, Chesapeake Employers has served as a continuous, guaranteed source for fairly priced workers’ compensation insurance since 1914.

U.S. on pace for deadliest driving year since 2007, says National Safety Council

Traffic deaths and serious injuries substantially higher in first six months of 2015.

Itasca, IL – The National Safety Council estimates traffic deaths are 14 percent higher through the first six months of 2015 than they were during the same period in 2014, and serious injuries are 30 percent higher. From January to June, nearly 19,000 people died in traffic crashes across the U.S., and more than 2.2 million were seriously injured, putting the country on pace for its deadliest driving year since 2007. Maryland fares worse than many of the other states. For the first six months of 2015 Maryland reported 224 deaths in comparison to 188 during the same period in 2014 and 217 in 2013. This was an increase of 19% from 2013 to 2014.

Costs are also up. The six-month estimated bill for traffic deaths, injuries and property damage is $152 billion – 24 percent higher than 2014.

“Follow the numbers: the trend we are seeing on our roadways is like a flashing red light – danger lies ahead,” said Deborah A.P. Hersman, president and CEO of the National Safety Council. “Be a defensive driver and make safe decisions behind the wheel. Your life really depends on it.”

While the high death and injury toll could be due to many factors, an improving economy with lower gas prices and unemployment rates herald increases in vehicle miles traveled. Average gas prices are 30 percent lower than they were in 2014 and are projected to remain relatively stable heading into 2016. This generally means an increase in traffic; more people can afford to drive, and many travel longer distances and take vacations.

To help ensure safety, the Council recommends drivers:

• Make sure every passenger buckles up on every trip
• Designate an alcohol and drug-free driver or arrange alternate transportation
• Get plenty of sleep and take regular breaks to avoid fatigue
• Never use a cell phone behind the wheel, even hands-free.
• Stay engaged in teens’ driving

(Con’t on page 17)
BIG “I” NATIONAL INSTALLS NEW LEADERSHIP TEAM

Louisiana’s Randy Lanoix becomes chairman, Connecticut’s Spencer Houldin chairman-elect, Oklahoma’s Vaughn Graham as vice chairman; Bob Fee of Kansas joins Executive Committee.

ALEXANDRIA, Virginia,— Randy Lanoix was installed as the new chairman of the Independent Insurance Agents & Brokers of America (IIABA or the Big “I”), with Spencer Houldin as chairman-elect, Vaughn Graham as vice chairman and Bob Fee as an at-large executive committee member. The new officers began their terms at the conclusion of the board meeting held in conjunction with the Big “I” Fall Leadership Conference in New Orleans during the first week of October.

“The Big “I” is honored that such a distinguished group of professionals will be the association’s leaders,” says Robert Rusbuldt, Big “I” president & CEO. “Randy Lanoix, Spencer Houldin, Vaughn Graham and Bob Fee, along with the rest of the executive committee and officers, are an outstanding and experienced team of industry leaders who position us well for a productive year.”

Randy Lanoix is president of Lanoix Insurance Agency in Lutcher and Brusly, Louisiana. Lanoix has been active in the independent agency system, serving as president of the Independent Insurance Agents & Brokers of Louisiana (IIABL) in 2001 and as the Louisiana representative on the Big “I” national board of directors from January 2005 to September 2010. He is a recipient of the Lou Daniel award, which is the highest honor bestowed by the IIABL. Lanoix is also a past recipient of the “Mr. Chairman” award for his work as Louisiana’s legislative chairman and his work with the Louisiana state legislature. On the national level, Lanoix has served on the Professional Liability Committee, the Trusted Choice® board of directors, numerous task forces and two terms on the Government Affairs Committee, where he was chairman of state government affairs. He and his wife Nell have two grown sons who work in the family agency.

Spencer M. Houldin is president of Ericson Insurance Advisors, a second generation, insurance agency with offices in Litchfield County, Connecticut and New York City. From 2008 - 2011, Houldin served as chairman of the Big “I” Government Affairs Committee and testified before numerous Congressional committees on behalf of the association. He has also represented the state of Connecticut on the IIABA Board from 2006 to 2011. In 2004, Houldin served as president of the Independent Insurance Agents of Connecticut. He has held seats on agent advisory councils for several insurance companies. Houldin is also active in his local community, serving on the executive committee of Western Connecticut Health Network, a multi-hospital organization. He is also past president of the local rotary. Houldin earned a Bachelor of Arts degree from Lafayette College. He resides in Roxbury, Connecticut with his wife, Carol, and two children.

(Con’t on page 18)
Vaughn Graham is president of Rich & Cartmill, Inc. headquartered in Tulsa, Oklahoma. He is a past chairman of the Independent Insurance Agents of Oklahoma and has served on the Big “I” national board of directors. Graham was recognized in 2012 with IIAO’s highest honor, The Eagle of Excellence Award. At the national association level, Graham has chaired the Membership Services board, served on the Big “I” Advantage board, was a trustee on the InsurPac Board and was a member of the Agents & Brokers Roundtable. Graham remains active in his community with charitable and civic organizations. He is a graduate of the University of Oklahoma and resides in Tulsa, Oklahoma with his wife, Candace. They have two children, Hayden and Vaughn, Jr.

Robert “Bob” T. Fee is president and COO of Fee Insurance Group in Hutchinson, Kansas. Fee currently serves on the board of directors for the Kansas Association of Insurance Agents (KAIA) and has represented Kansas on the national board of directors since 2013. He has also served on several KAIA committees including the Government Affairs Committee and was the 2007-2008 KAIA president. At the national association level, Fee has served on the Government Affairs Committee since 2013. He has also served on the Trusted Choice board of directors from 2008-2012, including serving as chair of the board from 2009 -2011. Fee is active in his community with numerous charitable and civic organizations. He is a graduate of the University of Kansas and the USF&G School of Insurance in Baltimore, Maryland. Fee and his wife, Annie, have four children and reside in Hutchinson.

The 2014-2015 Big “I” chairman, David Walker, CIC, AAI, LIC, ARM, who will serve on the executive committee as immediate past chair for one year, is president of Hartland Insurance Agency in Hartland, Michigan.

The Independent Insurance Agents of Maryland wish to congratulate Michael McCartin and the Joseph McCartin Insurance Agency in College Park. The agency was named a 2015 ‘Best Practices’ agency, which is a high honor. The McCartin agency has made this esteemed list for the 9th time. They were a ‘Best Practices’ agency from 2001 to 2006 and again from 2013 to 2015.

The annual Best Practices Study originated in 1993 as an initiative to help independent agents build the value of their most important asset, their agencies. By studying the leading agencies and brokers in the country, the Big “I” hoped to provide member agents with meaningful performance benchmarks and business strategies that could be adopted or adapted for use in improving agency performance, thus enhancing agency value.

The IIABA retained the principals of Reagan Consulting to create and perform the first study of The Best Practices of the Leading Independent Insurance Agencies in the United States. Today, the annual updates continue to provide important financial and operational benchmarks, and the study is recognized as one of the most thoughtful, effective and valuable resources ever made available to the industry.

Family Business Succession Planning
by Scott Zilber

70% of family owned business will not survive into the 2nd generation and 90% will not make it to the 3rd generation (FFI.org, 2015). Additionally a PWC survey in 2014 estimated that 48% of family owned business’ plan to pass the business to the next generation to own and run, and 26% will pass on the business to own but not run. Where is the disconnect? We see that family owned business have the desire to keep ownership within the family but are not succeeding.

Typically there is no problem with the business profitability or viability but with the lack of succession planning.

Buy-Sell Agreement
The death, disability or retirement of an owner can throw a business into turmoil because the person who was the driving force…the rainmaker…is no longer there. A carefully structured buy-sell arrangement will permit the owner to begin the process of transferring ownership and control before the triggering event to facilitate a smoother transition. Emotions are not high and pricing parameters have been set prior to the event, but flexible drafting can also give “first rights of purchase” to family members ensuring that they are given priority over 3rd party buyers.

Benefits for the Surviving Owners:
• Helps prevent disputes between the heirs of the deceased owners, who often favor the short-term goals versus the long-term goals of the business
• Provides tax-advantaged liquidity to purchase shares from heirs

Benefits for the Deceased Owner’s Estate/Heirs
• Creates a market for the deceased owners interest
• Prevents unwanted parties from acquiring an ownership interest
• Provides an independent mechanism for determining the price or pricing formula for the business interest, decreasing the potential for disputes.
• Relieves the heirs of the estate from the affairs of the business.
• Ensures that the estate receives cash for estate liquidity, survivors income or other family needs.

Purchasing life insurance on the lives of the business owners is one of the most common ways to fund a buy-sell arrangement. Besides being cost effective, the primary advantage is that it makes cash available upon the owner’s death. Plus, if the arrangement is funded with permanent life insurance the policy’s cash value may be sufficient to fund a buy-out at retirement. In a cross purchase arrangement, life insurance is sometimes purchased on split dollar basis or with a bonus to mitigate the cost to the shareholder.

Key Person Plan
Often the talents and the skills of a very few people are creating the success of many closely held businesses. That is why the loss or disability of one of these people can threaten the future of the business. Key person Insurance is designed to address the financial consequences of such a loss, including;
• Interruption of cash flow
• Expenses of attracting and hiring a replacement

Case Study:
Situation: Furniture manufacturing firm with 1 owner and 1 Key Person (owner’s child) who work in the business but have no ownership.

Objective: Provide liquidity for beneficiaries of deceased owner to make up for loss of income from that person, provide liquidity to the key person (child) to buy-out the owner’s shares from their estate. Keep family control of the business.

Analysis and Solution: The owner’s child (key person) will acquire a permanent life insurance policy designed for cash accumulation on their father with a $5,000,000 death benefit. The company will pay a bonus to the key person each year in the amount of the premium each year and the key person will be responsible for the corresponding income tax. Cash value that may accumulate could be used to begin buying out the parent during their lifetime.
Case Study:

Situation: Family owned Commercial construction firm with 4 key executives, who are responsible for the firms 30-year growth.

Objective: Insure each life against the economic loss of having to hire and train a replacement to preserve existing business accounts and contracts.

Analysis and Solution: $4,000,000 of 15 – year term on each of the 4 key people for $60,000 of annual premium. The 15 –year term will cover the economic loss to normal retirement age.

Operating a business without a succession plans leaves a business owner and their partners open to undue risk. Many times we evaluate the risk of the “tangible”, or the things we can see and quantify in a business-loss of property, risk of damage, risk due to hazard, etc… Unfortunately there are situations in which the risk is not as obvious but could be just as devastating.

As a member of the IIAMD we look forward to working with other members to help them round out their business by partnering to bring our services to their clients. For more information contact Scott Zilber at szilber@belmanklein.com or 1-800-729-6007.
Real Life Personal Umbrella Claims Show Why Basic Insurance Is Not Enough. Insureds need RLI’s Personal Umbrella Policy.

A Personal Umbrella Policy (PUP) is a necessary addition to insurance protection for most insureds. Are you aware of the importance of this valuable coverage? One of the best ways to understand the need for a personal umbrella is to review actual claims examples. It is very clear that an incident arising from just normal daily activities can expose all of us to the potential for a large claims suit. Listed below are actual RLI PUP claims. These claims show the very real consequences of situations that quickly exhaust underlying liability limits and threaten the net worth of the people involved.

Excess UM/UIM Claim Scenario

The Insured was driving legally on a highway when she was rear ended by another driver. The collision caused the Insured’s vehicle to hit a barrier and bounce into a light pole. The other driver attempted to flee the scene on foot but was apprehended. He was uninsured, does not have a driver’s license, and was cited for numerous violations.

The Insured sustained two broken ribs, three broken teeth, contusions to her lungs, and lacerations to the head. After the insured’s primary insurance company tendered its full Uninsured Motorist limit, the insured was still left with $260,000 in medical expenses. The RLI Personal Umbrella Excess Uninsured Motorist coverage paid the remaining expenses.

Auto Liability Claim Scenario

The Insured was driving southbound down the road. The insured passed two orange construction signs, the first saying —Road Work Ahead and the second —Shoulder Work Ahead. At this point, the road proceeds uphill and curves slightly to the left. There were then six barricades along the fog line with a construction water truck parked just ahead of the sixth barricade. The insured just missed the sixth barricade and then struck the front bumper of the water truck. She continued on, hit a barricade and then struck the claimant (laborer who had just exited the water truck). After impacting the worker, she struck several other barricades, and corrected back onto the roadway. The claimant was thrown between 20 to 30 feet and sustained a fractured sternum; and brain and spinal injuries. RLI PUP Policy paid out policy limit of $1 million.

Watercraft Liability Claim Scenario

Our insured was operating his ski-boat with 2 friends along as passengers on a lake in Texas. An inner tube attached to a rope was being held down by a cooler at the rear of the boat. The cooler became dislodged and flew out of the boat. When the insured attempted to turn the boat around to retrieve the cooler, the wind blew the inner tube out of the boat and the rope began to uncoil, catching one of the passengers around the leg, launching him into the air and landing him on the boat deck.

The Passenger’s injuries included complete tears of his right knee ligaments and tendons requiring surgery. In addition, he sustained a substantial injury to his right hip. He was totally disabled for approximately 6 weeks, unable to drive and has additional lost business income. The primary insurance company tendered its full policy limit which was $500,000 short of the total claim amount. However, the insured was also covered by the RLI Personal Umbrella and payment was made for the remaining amount of $500,000.

Premises Liability Claim Scenario

The insured engaged a contractor to replace and install a new dock for the lake behind his house. After beginning the work, the contractor pointed out to the insured that a tree needed to be removed in order to get the old dock out of the water. The insured had a backhoe and proceeded to knock the tree down, allowing for the dock to be placed on the ground out of the water. As they were leaving the lake, the contractor pointed out another tree that was dead and should be knocked down. While knocking down that tree, a limb hit the contractor on the head and neck. The underlying insurance coverage limits were paid out, but there was still a balance of $800,000 for this claim. The RLI Personal Umbrella ultimately paid the $800,000.

For more information on the RLI Personal Umbrella contact us today!

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What the Proposed Overtime Regulations Mean for Employers

By Laura Kerekes

Greeted with a mixture of praise and criticism, on June 30 the Department of Labor (DOL) released proposed rules updating federal overtime pay regulations under the Fair Labor Standards Act (FLSA). The DOL asserted that these rules, once final, would "extend overtime protections to roughly 5 million workers." The initial FLSA was enacted 77 years ago and established the first-ever national minimum wage (25 cents per hour), the 44-hour work week (later reduced to 40), and time-and-a-half overtime pay for hours worked past the 44-hour (currently 40-hour) work week.

Proponents of the new regulations argue that the overtime regulations haven't been meaningfully updated in decades. An exemption from overtime eligibility that originally was meant to apply only to highly compensated white-collar employees now applies to certain employees earning $455 per week or $23,660 a year. In addition to the salary threshold, exempt employees must hold a position that passes the "duties tests" within specific exempt classifications defined in the regulations. According to the DOL, 62% of full-time salaried workers were eligible for overtime pay in 1975, but today only 8% of those same kinds of workers are eligible because of the low salary threshold that has not kept up with the inflation and wage growth.

The dollars are in the details

As proposed, the new regulations would set the new salary threshold at the 40th percentile of full-time salaried workers, projected to be about $970 a week (or $50,440 a year) in 2016 when the rule becomes final, more than double its current level. The proposal also would increase the total annual compensation requirement need to exempt highly compensated employees who are paid a total annual compensation of at least $100,000 (which must include at least $455 per week paid on salary or fee basis including commission payments, nondiscretionary bonuses, and other nondiscretionary compensation), and regularly perform at least one of the exempt duties or responsibilities of an executive, administrative, or professional employee.

The salary threshold then would be updated automatically for future years by establishing a mechanism to update the salary and compensation threshold on an annual basis using either a fixed percentile of wages or the Consumer Price Index for All Urban Consumers (CPI-U).

Actual job duties not addressed

While not proposing any specific changes to the duties test, the proposed rule discusses the current duties tests and solicits comments on whether the tests are working as intended to screen out employees who are not bona fide exempt employees. The duties tests that exempt certain white-collar positions from overtime pay are subject to interpretation and can be confusing for employers. Employers should always:

• Consider that exemptions are determined based on job duties performed and compensation received in each specific position, not on the incumbent holding the position.
• Realize that job titles alone do not determine the exempt or nonexempt status of any employee.

Mitigate the risk of any challenges and be prepared in the event of a DOL audit by conducting an exemption assessment for each position and each employee or groups of employees who perform essentially the same duties and receive essentially the same compensation package.

The duties tests explained

Depending on the job type, what follows are the duties requirements to determine each exemption category. Please note that the salary threshold test outlined above is also required for each category.

Executive Exemption

• The employee’s primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise.

• The employee must customarily and regularly direct the work of at least two or more other full-time employees or their equivalent.

• The employee must have the authority to hire or fire other employees, or the employee’s suggestions and recommendations as to the hiring, firing, advancement, promotion, or any other change of status of other employees must be given particular weight.

Administrative Exemption

This is one of the classification categories most open to interpretation and misclassification.

(Con’t on page 23)
• The employee’s primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer’s customers.
• The employee’s primary duty must include the exercise of discretion and independent judgement with respect to matters of significance.

**Learned Professional Exemption**

This category applies most often in academic and scientific employment situations and less often in general business settings. This generally includes employees such as doctors, teachers, and lawyers, and these employees are also not subject to either the salary basis or salary level tests.

• The employee’s primary duty must be the performance of work requiring advanced knowledge, defined as work that is predominantly intellectual in character and that includes work requiring the consistent exercise of discretion and judgement.
• The advanced knowledge must be in a field of science or learning.
• The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

**Creative Professional Exemption**

This category applies infrequently in general business settings.

• The employee’s primary duty must be the performance of work requiring invention, imagination, originality, or talent in a recognized field of artistic or creative endeavor.

**Computer Employee Exemption**

• Under the current regulations, as with the other exemption classifications, the employee must be compensated on either a salary or fee basis at a rate not less than $455 per week; and for the computer exemption only, for employees compensated on an hourly basis, at a rate not less than $27.63 an hour.
• The employee must be employed as a computer systems analyst, computer programmer, software engineer, or other similarly skilled worker in the computer field performing the duties described next.
• The employee’s primary duty must consist of:
  ○ The design, development, documentation, analysis, creation, testing, or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications.

(Con’t from page 22)
(Con’t from page 23)

- The design, documentation, testing, creation, or modification of computer programs related to machine operating systems.
- A combination of the aforementioned duties, the performance of which requires the same level of skills.

**Outside Sales Exemption**

- The employee’s primary duty must be making sales, or obtaining orders or contracts for services or for the use of facilities for which a consideration will be paid by the client or customer.

The employee must be customarily and regularly engaged away from the employer’s place or places of business.

**Business Owners Exempted**

Under a special rule for business owners, an employee who owns at least 20% equity interest in the enterprise in which he or she is employed, regardless of the kind of business organization, and who is actively engaged in its management, is considered a bona fide exempt executive.

**Get ready, but don’t panic**

Nothing is final-yet. If your business currently has employees in positions classified as exempt from overtime but paid less than the new proposed salary threshold, there is no reason to panic or make changes now. While the intention of the new regulations is to provide higher minimum salaries for exempt employees and for employers to adjust pay to meet the threshold or begin paying overtime to employees earning less than the proposed salary threshold, employers are not required to make any changes in their pay practices until the law is finalized.

Finalizing, the regulations could take some time, probably well into 2016. The 60-day period during which interested parties can submit comments began on July 6 and is scheduled to close on September 4. We anticipate that the comment period could be extended, followed by a lengthy period to review those suggestions, as many business and employee groups likely will make recommendations. After all, it took almost 13 months in 2004 for enactment of the most recent changes to the FLSA over-time rules, and this is an election year.

To get ready for the changes employers should:

- Review the FLSA exemption criteria of jobs in the company to ensure that they are properly classified.
- Review salaries of employees in those positions to determine the effect of the proposed change in the salary threshold on salary adjustments or overtime budgeting.

- Get ahead of any reclassification activity that may become necessary under the proposed regulations to provide for smooth employee communications and positive employee relations while avoiding any legal audit challenges.
- Stay on top of any changes that may arise in the final regulations and adjust job classification and pay strategies as needed.

**The author**

Laura Kerekes is ThinkHR Corporation’s chief knowledge officer and leads the ThinkHR Live, human resources service delivery and content teams. In addition to these responsibilities, she writes management, human resources and business articles and presents regularly to management groups regarding human resources best practices.

About ThinkHR: ThinkHR works with over 500 leading insurance brokers to enable their clients to obtain quick answers to urgent risk and liability questions, protecting clients from loss and legal action; stay informed on the correct responses and decisions for HR management and compliance matters; create web training programs to educate and develop employees in the areas of safety, management and wellness; and save time and money versus expensive alternate legal and HR resources.

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**insympathy**

IIAM extends its sincere sympathy to Tom Lowe and family. Tom’s mother passed away in October. Tom is a past president of IIAM. His agency, United States Insurance Services, Inc. is an active member of the association. Our thoughts and prayers are with the family.
IIAM offers two lines of the ACSR designation program:

Personal and Commercial Lines

Each designation line has technical modules that must be completed as well as three core modules. Regardless of what ACSR designation line you choose, ACSR 4, ACSR 5 and Ethics 311 must be completed. **Modules do not have to be taken in any specific order or time frame.**

Characteristics of the ACSR Personal Lines Technical Modules:

- Homeowners (ACSR 1)
- Personal Automobile (ACSR 2)
- Personal Lines Related Coverages (ACSR 3)

Characteristics of the ACSR Commercial Lines Technical Modules:

- Commercial Property (ACSR 6)
- Commercial General Liability (ACSR 7)
- Commercial Automobile (ACSR 8)
- Commercial Lines Related Coverage

The 2016 schedule will be released soon!

Check the website at www.iiamd.org/acsr for more information regarding the ACSR Program.
November 12, 2015
Commercial Lines Related Coverages
Don Dudey, CPCU
9:00 AM - 3:30 PM

December 1, 2015
Ethical Guidelines for Insurance Professionals - Ethics 311
Shelley Arnold, CPCU, AU, ARM, AAI, AINS, ACSR
9:00 AM - 12:00 PM

December 2, 2015
E&O - The Short Story
Stan Lipshultz, CPCU
8:30 AM - 10:30 AM

December 9, 2015
Commercial Property Insurance
Don Dudey, CPCU
9:00 AM - 4:30 PM

IIA Maryland sends their congratulations to Carrie Arnold (IIAM staffer from 1994 to 2005) and her husband, Brendan Curran, on the birth of their daughter Dorothea ‘Thea’ Curran. Thea was born on September 26, 2015 and weighed in at a healthy 6 lbs. 14 ozs. The family lives in Colorado Springs. Congratulations also to Aunt Rebekah and Oma Shelley.
For thirty years, Builders Mutual has been working hard to make your job easier. Agent tools like BOB 2.0 allow you to issue and service policies online with ease. When you’re quoting residential, commercial and trade contractors, the insurance choice is simple.

Stay connected. buildersmutual.com
Every day, all across Maryland, Chesapeake Employers Insurance helps employers keep workers safe from accidents and injuries. We specialize in helping contain your workers’ comp costs through:

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- competitive pricing
- responsive claims management
- effective medical cost review
- vigilant fraud protection

With our local presence and unwavering dedication to Maryland business owners and their employees, Chesapeake has become Maryland’s largest workers’ compensation insurance company.

To learn more, [connect with your local agent](#) or visit ceiwc.com.