LOUISIANAAGENT

MAY 2021



Legislative Update

Bad Insurance Bills Successfully Managed

Page 6

Ask Ben

Check With Your **Contractor Clients** Page 13

Florida Insurers

Drop Thousands of Policies, Makes Moves to Stay Afloat Page 15

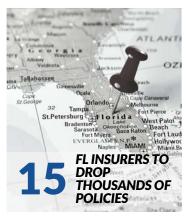


We're more than your partner, we are on your team. As an independent partner to retailers globally, we work with you to solve complex insurance placements through industry specialization, market knowledge, data analytics and a commitment to service. To learn more about the resources we provide, visit amwins.com/onyourteam.

CONTENTS









18153 E. Petroleum Drive Baton Rouge, LA 70809 Ph: (225) 819-8007 Fax: (225) 819-8027



www.iiabl.com

TABLE OF CONTENTS & FEATURED STORIES

04 IIABL STAFF

At your service!

21 UPDATED HURRICANE DATA THROUGH MARCH 31, 2021

Commissioner Donelon Updates Data

25 ACT ANNOUNCES ONLINE AGENCY SELF-ASSESSMENT

Independent agencies can now gauge their cyber readiness with free ACT resource

28 IIABL SPOTLIGHT

Selective Flood

30 NEW HEALTH INSURANCE COMPENSATION DISCLOSURE REQUIREMENTS

Big I Provides Summary

33 CONSUMERS GET RESULTS ON HURRICANE COMPLAINTS

LDI News Release

36 HOMEOWNERS' FORM & ENDORSEMENT CHANGES

Coming 2022

38 HARMFUL TAX INCREASES ON SMALL BUSINESSES

Big I Advocates Against!

39 HOW DO I KNOW IF MY AGENCY IS CYBER-SECURE?

Risk-Based Security

42 PRIVACY-RELATED TRAINING & REGULATORY COMPLIANCE

Can your business survive without? What do you do?

44 IIABL VIRTUAL SPRING CONFERENCE

Part III - IIABL 2021 Legislative Summary with Jeff Albright

45 JUNE EDUCATION & EVENTS

IIABL STAFF

JEFF ALBRIGHT

Chief Executive Officer jalbright@iiabl.com (225) 236-1366

BENJAMIN ALBRIGHT

Vice-President of Strategic Initiatives <u>balbright@iiabl.com</u> (225) 236-1357

KATHLEEN O'REGAN

Director of Communications & Events <u>koregan@iiabl.com</u> (225) 236-1360

KAREN KUYLEN

Director of Accounting & Finance kkuylen@iiabl.com (225) 236-1353

RHONDA MARTINEZ

Director of Insurance Programs rmartinez@iiabl.com (225) 236-1352

JAMIE NEWCHURCH

Director of Insurance Programs jnewchurch@iiabl.com (225) 236-1350

LISA YOUNG-CROOKS

Director of Member Relations lyoung@iiabl.com (225) 236-1351





IPFS TOTALPAYM

IPFS TotalPay[™] allows you to collect premium payments and set up premium financing, all in one portal available to your client online.

One Portal: Two Ways to Pay



INSURANCE PREMIUM FINANCING

- Paying in installments frees up capital to help you ensure appropriate level of insurance coverage
- Provides credit at competitive industry rates
- Enables paperless premium payment process



PAYMENT IN FULL

- Eliminate time spent on premium payment collections
- Provides opportunity for reduced accounting expenses
- Expedites the premium payment process
- ACH or credit card payment*

CONTACT:

JAMIE RENTON | 504.616.4931 | jamie.renton@ipfs.com LYLE LEJEUNE | 504.228.6152 | lyle.lejeune@ipfs.com BAYLIE BABIN | 504.228.7160 | baylie.babin@ipfs.com



Visit us online at ipfs.com or download our IPFS Connect® mobile app

PAGE 6 LOUISIANAAGENT

LEGISLATIVEUPDATE

Bad Insurance Bills Successfully Managed

JEFF ALBRIGHT, IIABL CEO



When the 2021 Regular Session of the Louisiana Legislature convened in March, things looked grim for the insurance industry. In the wake of four significant hurricanes last summer, many policyholders were very frustrated and angry with long delays and poor claim handling by insurance companies.

Legislators reflected the anger of their constituents by filing a bunch of bills mandating new requirements for claims adjusters, statutory claims settlement practices, staggering bad faith penalties against insurers and various other "insurance reforms."

Things did not look good for the Louisiana insurance industry.

This has been the most difficult legislative session in memory...even worse than after Hurricanes Katrina and Rita.

Months before the session started, Benjamin Albright, David Tatman and Jeff Albright visited legislators in the areas hard hit by the hurricanes and with the members of the House & Senate Insurance Committees. IIABL took the position that reasonable legislative reforms were appropriate because of real problems suffered by policyholders and reported to IIABL by our member agents. However, we warned legislators that overreactions which resulted in punitive legislation against insurers would be counterproductive considering the extremely difficult Louisiana property insurance market. No matter how frustrated and angry policyholders might be with insurance companies, we all need

insurance companies to write business in Louisiana.

IIABL also met with the government affairs staff representing insurance companies. The two primary insurance company trade associations are the American Property Casualty Insurance Association (APCIA) and the National Association of Mutual Insurance Companies (NAMIC). **IIABL** worked extensively with these two trade associations along with major insurance companies to work with reasonable legislators who wanted to pass reasonable insurance reforms and to oppose unreasonable or punitive legislation. The insurance industry came together in unprecedented ways to manage this difficult political environment.

The results are much better than expected.

The truly unreasonable bills have been amended or killed so as not to jeopardize the Louisiana insurance market.Reasonable legislators with reasonable bills worked with the industry to address some of their concerns. In the end, insurance companies are

PAGE 7 LOUISIANAAGENT

LEGISLATIVEUPDATE

Continued from page 6

not happy about some of the bills that are very likely to pass this session, but none will cause significant problems for their operations in Louisiana. Policyholders will have new protections in the law that should help in future storms. This is how the legislative process is supposed to work.

Here is a rundown on the most important insurance bills of 2021:

IIABL TOP PRIORITY BILLS

SB 29 by Sen. Mark Abraham Authorizes the commissioner of insurance to issue

of insurance to issue emergency rules and take certain actions relative to insurance during a declared emergency. The legal authority for the commissioner to issue such rules has been questioned, and SB 29 seeks to clarify that authority, provide limitations, and provide for oversight by the governor and legislature. IIABL supports SB 29, which has passed the Senate and the House and is now headed to the Governor for signature.

SB 54 by Sen. Jay Luneau

Requires the Commissioner to create a standard form disclosing a homeowner's named storm, hurricane, and wind & hail deductible. The form must be signed by the named insured and becomes part of the insurance policy.

Senator Luneau testified that this form is modeled after the UM selection form, and because it becomes part of the policy, IIABL was concerned that it would create the same kind of litigation problems for insurers and agents. IIABL opposed SB 54 which passed the Senate 37-0 but was killed in the House Insurance Committee.

DEFENSE: BAD BILLS -AMENDED OR KILLED

HB 463 by Rep. John Illg

Authorizes the establishment of a state-based health insurance exchange and assessments thereto. HB 263 was an LDI bill designed to add up to a 2% fee on group health insurance premiums to provide reinsurance to the individual health insurance market. IIABL opposed HB 263 which Rep. Illg voluntarily deferred in the House Insurance Committee in the face of intense opposition.

HB 467 by Rep. Edmond Jordan

Prohibits the use of certain rating factors in automobile insurance underwriting. HB 467 would have prohibited insurers from using insurance "credit" scoring or credit information, education level, employment,

occupation, or trade as risk rating criteria. IIABL opposed HB 467 because the use of insurance scoring using credit information is widely used by insurers and prohibition would have a negative impact on the Louisiana market. HB 467 failed to pass the House floor 37-51.

HB 469 by Rep. Ed Larvadain

HB 469 would have increased bad faith penalties on homeowner's insurance claims from 50% to 200%. IIABL opposed HB 469 because such unreasonable penalties would have created massive profit opportunities for plaintiff attorneys, dramatically increased claims costs and had a negative impact on the Louisiana insurance market. HB 469 failed to pass the House floor 36-50.

HB 585 by Rep. Brett Geymann

As amended, HB 585 requires the insurer to provide a copy of the field adjuster's report to the policyholder within 15 days of request. IIABL supports this provision. However, the bill also increases the minimum bad faith penalty against insurers on declared disaster claims from \$1000 to \$2,500. IIABL opposed the original bill but is neutral on the bill as amended. HB 585 passed the Senate Insurance Committee and will be on the Senate floor soon.

PAGE 8 LOUISIANAAGENT

LEGISLATIVEUPDATE

Continued from page 7

SB 55 by Sen. Jay Luneau

Prohibits insurance rate determinations based on certain risk classifications. including an insured being a widow or widower, credit score/rating or the gender of an insured over age twentyfive. IIABL opposed SB 55 because the use of insurance scoring using credit information is widely used by insurers and prohibition would have a negative impact on the Louisiana market. SB 55 failed to pass the Senate Insurance Committee.

POST HURRICANE PROPERTY INSURANCE BILLS

Provides a code of conduct and standards of care for claims adjusters. IIABL supports HB 457 which passed the House floor by a

HB 457 by Rep. Gabe Firment

supports HB 457 which passed the House floor by a vote of 102-0, passed the Senate 35-0, and will be heard on the House floor for concurrence on Senate amendments soon.

HB 458 by Rep. Gabe Firment

During a state of emergency, requires all insurers providing residential property insurance coverage that includes additional living expense to consider any property which has a covered property loss and has a loss of water,

electricity, sewer, or natural gas to be deemed uninhabitable for purposes of ALE coverage until utilities are functionally restored. HB 458 was voluntarily deferred in the Senate Insurance Committee.

HB 591 by Rep. Gabe Firment

Establishes certain claims settlement practices by statute, including standard procedures for determining depreciation on ACV policies, establishing a "matching" requirement, and creating a standard appraisal arbitration

Continued on page 10

DISCOVER WHAT MAKES US DIFFERENT. Experience. Knowledge. Performance.



Access Home Insurance Company is a privately owned, admitted insurance company. It was founded in 2011 by insurance professionals with over 100 years of combined experience in property and casualty insurance. The company is based in Baton Rouge.

Access Home distinguishes itself from other carriers by offering innovative residential insurance options. Unlike most carriers, Access Home makes coverage possible for homes with the following characteristics*: homeowners with any dog breed (including pit bulls), saddle animals, exotic pets, homes with trampolines, pools with diving boards or slides, and unfenced pools, hot tubs or bodies of water on the premises. Furthermore, porches or decks without handrails are now eligible*; entrances with 3 or more steps without handrails are now eligible*; and Central A/C is no longer required. We will cover homes on up to 15 acres and we aren't daunted by homeowners with up to a 90 day lapse in coverage, either.

*Excludes liability coverage associated with these features.



FOR YOUR CATASTROPHE-EXPOSED HOMEOWNERS,

THE RIGHT COVERAGE FROM THE RIGHT COMPANY

STARTS WITH A PROMISE.



When it comes to presenting the right coverage for your homeowners, UPC Insurance is committed to keeping the promise.

Starting in Florida more than 20 years ago, UPC's goal is to remain the trusted specialist for your catastrophe-exposed homeowners. Earning trust by keeping our promise through multiple hurricanes and tropical storms, UPC has grown to become the 18th largest writer of homeowners and related lines in the nation. UPC is licensed in 18 states, currently serving homeowners in 12 coastal states.

Offering a full suite of smart property insurance products, UPC stands ready to Keep the Promise® to you and your customers.

800-861-4370 upcinsurance.com





PAGE 10 LOUISIANAAGENT

LEGISLATIVEUPDATE

Continued from page 8

process. IIABL supports HB 591 which passed the House floor by a vote of 86-0 and will be on the Senate floor soon.

SB 70 by Sen. Mark Abraham

Adds commercial property insurance to the existing statute that limits separate wind & hail, named storm, and hurricane deductibles on homeowners policies to one deductible in each calendar year. IIABL supports SB 70 which has passed the Senate 37-0, passed the House 99-0, and is on the way to the governor for signature.

OTHER INSURANCE BILLS

HB 386 by Rep. Les Farnum

Provides relative to appointment of special masters in certain civil actions arising within a parish included in a major disaster declaration. The purpose of HB 386 is to streamline claim litigation after a disaster. IIABL supports HB 386 which passed the House 99-0 and will be heard in the Senate Judiciary A Committee soon.

HB 565 by Rep. Mike Huval

Provides relative to the hands-free operation of a motor vehicle while using wireless telecommunication devices. IIABL supports HB 565 which passed the

House 77-20 and will be heard in the Senate Transportation Committee soon.

HB 577 by Rep. Scott McKnight HB 577 would create a

regulatory framework for the LDI to approve forms and rates for private residential flood coverage.IIABL had concerns with the original bill but worked with LDI and Rep.

McKnight to provide for a mandatory disclosure by the insurer which makes clear to the policyholder whether the private flood insurance policy provides coverage equal to or greater than the standard NFIP policy or provides coverage less than the standard NFIP policy. There is also a mandatory disclosure related to the potential loss of



gotolane.com | (504) 467-3123 questions@gotolane.com 3421 N. Causeway Blvd. Suite 800 | Metairie, LA



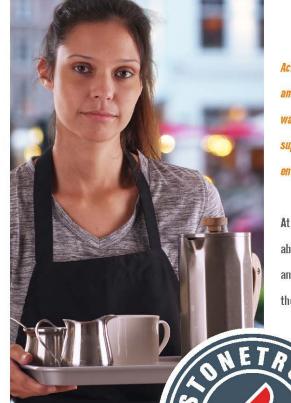
PAGE 11 LOUISIANAAGENT

LEGISLATIVEUPDATE Continued from page 10

pre-FIRM grandfather status by moving to the private flood insurance policy. IIABL supports the amended HB 577 which has passed the legislative process and will be sent to the governor for signature soon.

SB 42 by Sen. Louie Bernard

Requires notices of reinstatement of a casualty policy to go to all relevant parties. SB 42 was brought by LDI at the request of IIABL to require insurers to provide reinstatement notices to all relevant parties. IIABL supports SB 42 which is now headed to the Governor for signature.



Across the country people wake up every morning and head to work. They work in retail, construction, warehouses, and factories making sure they can support their families and make it home safely at the end of each day.

At Stonetrust, we know a little something about showing up when it matters most, and we strive to always be there for the independent insurance agents and policyholders that trust us with

their business.

STONETRUST® WORKERS' COMPENSATIO

800.311.0997 | STONETRUSTINSURANCE.COM



At LWCC, our business is Louisiana's business. As we continue to champion our great state, our agents are our first partner in preparing for the future of workers' comp.

LWCC remains dedicated to helping both our agents and our state thrive, and together we will continue to better Louisiana one business and one worker at a time.



Learn more about our commitment to both our agent partners and our state at louisianaloyal.com

PAGE 13 LOUISIANAAGENT

ASK BEN

Now may be a good time to check in with your contractor clients

By: Ben Albright IIABL Vice-President of Strategic Initiatives



A number of factors are coming together to create a potential E&O exposure for agents: increased residential exposure for contractors. To begin with, demand for residential construction has increased during the coronavirus pandemic while demand for commercial construction has plummeted during the work-from-home craze. Consequently, many commercial contractors are looking to supplement their income by taking residential jobs.

In Louisiana, this effect has been compounded by the

most active hurricane season in the history of the state. The 3 hurricanes that hit the state this year spawned over 300,000 property claims, and demand for residential contractors far outstrips the supply. We've seen many contractors that have historically focused on commercial properties or niche markets like outdoor kitchens shift their focus to repairing homes damaged by the storms because of the overwhelming need.

Because many policies include a limitation or outright exclusion for



IIABL MEMBER BENEFIT

One of the many great benefits of your IIABL membership is the outstanding staff resources that can help you with many agency issues. When you have a question or a problem and do not know where to get help, "Ask Jeff" or "Ask Ben!" Jeff Albright and Ben Albright are available to assist you!

"Ask Jeff/Ask Ben" allows us to share important information that comes from the questions we receive from our member agents.

Continued on page 14

PAGE 14 LOUISIANAAGENT

ASKBEN

Continued from page 13

residential construction, this shift can present coverage problems for insureds and an E&O exposure for agents. Agents should, therefore, be proactive in reaching out to their contractor clients to ensure that exposures have not materially changed in the last year. Contractors often do not understand the residential work limitations on their policies, and they don't think to contact their agent when they expand into new market segments or niches.

At some point, the market is likely to stabilize and contractors will return to their normal scope of business. Their exposure, however, may not be at an end. Assuming their liability policy is on an occurrence form, a products

and completed operations exposure may linger. Agents should therefore maintain coverage for residential construction until the statute of limitations has expired on all their work. These limitations may vary depending on the specific job, but the standard statute of repose for construction defects in Louisiana is 5 years. Insureds may want to consult a lawyer to determine the full scope and timeframe for their liability.

Action Item: take some time to get in touch with any contractors that you insure to verify if there have been any changes in exposure over the past year.





We know you have a lot of choices when selecting a trusted partner for your customer, we are committed to Louisiana, our agents and our customers. We want your first choice to be MAISON!

Products: Manufactured Home, Homeowners, Dwelling Fire, & Flood

Licensed to write property insurance in Louisiana, Texas and Florida

Prompt professional 24/7 claims service

Established in 2012 & domiciled in Baton Rouge, Louisiana

Managed by a trusted team of Insurance Professionals



844.9.MAISON (844.962.4766) (A) maisonins.com



PAGE 15 LOUISIANAAGENT

3 FLORIDA INSURERS TO DROP THOUSANDS OF POLICIES, MAKE MOVES TO STAY AFLOAT

Insurance Journal

IIABL'S TAKE ON THE INSURANCE JOURNAL ARTICLE FEATURED:

When IIABL saw the Insurance Journal report on Gulfstream & Southern Fidelity, we contacted Commissioner Donelon and requested information to assist Louisiana agents. Commissioner Donelon has ongoing contact with Florida Commissioner David Altmaier who is managing the financial solvency of these insurers.

Commissioner Altmaier reported to Commissioner Donelon that the non-renewals cited in the Insurance Journal article are Florida policies and that widespread non-renewals are not expected in Louisiana. Both Commissioners are working to shore up the financial solvency of Gulfstream and Southern Fidelity.

More than 50,000 Florida policyholders will soon be looking for a new carrier for their homeowners insurance after three Florida-based companies were approved by the state regulator to drop the policies. The moves come just a few weeks before the official start of hurricane season and as legislation designed to target the state's insurance market issues awaits the governor's signature.

In consent orders signed by Florida Insurance Commissioner David Altmaier, Universal Insurance Co. of North America (UICNA) was approved to drop 13,294 personal residential policies and Gulfstream Property &

Casualty was approved to cancel about 20,311 personal residential policies. Both insurers will remove the policies over the next 45 days.

Southern Fidelity Insurance Co. was approved to nonrenew approximately 19,600 personal residential policies over the next 14 months, with approximately 2,300 receiving less than the required statutory written notice of nonrenewal.

The early cancellation and catastrophe events and hi non-renewals of policies is "an reinsurance costs. Florida extraordinary statutory insurers were reported to lost a combined \$1.7 billic insurers which are or may be in hazardous financial condition," the Florida Office "OIR remains focused on the state of the sta

of Insurance Regulation stated in the orders, which also require the insurers to take other steps to stay solvent.

The regulator's actions are the most recent indicators of Florida's stressed insurance marketplace that has been described as "spiraling towards collapse." Altmaier and others have previously warned of problems for Florida's domestic companies thanks to spiking litigation, dishonest contracting practices, catastrophe events and high reinsurance costs. Florida insurers were reported to have lost a combined \$1.7 billion in 2020.

"OIR remains focused on the Continued on page 16 PAGE 16 **LOUISIANAAGENT**

FLORIDAINSURERS

Continued from page 15

protection of consumers and fostering stability in Florida's insurance marketplace," OIR said in a statement to Insurance Journal. "Allowing for the early cancellation or nonrenewal of policies is not a decision made lightly, and requires a finding that such action is necessary to protect the best interests of the public or policyholders."

The respective orders outline what "hazardous" financial conditions led to the approval of the policy cancellations and non-renewals:

Universal Insurance Co. of North America (UICNA) UICNA's cancellation of 13,294 of its 57,000 Florida policies will occur as part of a financial restructuring plan that includes a merger with and into Universal North America Insurance Co., a Texas domestic company.

UICNA reported net losses of \$4.1 million in 2019 and \$22.5 million in 2020, and had decreased its surplus by more than \$9 million as of Dec. 31, 2020, OIR stated in the order approving the policy cancellations. UICNA's surplus reinsurance costs, and deterioration came despite the significantly increased company receiving capital contributions of \$13.5 million, without which it would have been considered an impaired insurer as it would have fallen below Florida's minimum required surplus of \$10 million.

OIR said UICNA provided financial projections that show without the cancellation of the approximately 9,341 homeowners policies and 3,953 dwelling policies, the company's financial condition would further deteriorate to an unsustainable level by the end of 2021.

Given UICNA's catastrophe loss experience, higher litigation, the identified policies for cancellation would "provide an immediate impact to the company's financial position and facilitate the completion of a financial restructuring plan to protect its policyholders and the public," the order says.



Agile Premium Finance is a leader in the insurance premium finance industry. As an innovative and progressive organization, we are committed to providing you with convenient and efficient premium finance solutions to improve cash flow, preserve working capital and retain funds for projects, expenses and investments. We are proud to offer long-term premium finance and direct billing solutions so you can focus on your clients and your company.

There's a reason why we're recognized as a leader in the premium finance industry. Work with us and find out for yourself.

> For more information, contact: Andrew Strohm 225-229-3035 astrohm@agile-pf.com





By having EMC offices across the country, our representatives are better equipped to help agents tap into the local market and grow their businesses. Insights harvested from these trusted partners also inform our future innovations and product offerings. As an EMC independent insurance agent, these are just a few ways you'll know you can always *Count on EMC*®.

emcins.com







PAGE 18 LOUISIANA AGENT

FLORIDAINSURERS

Continued from page 16

The policy cancellations are also a condition of the company's merger plan, OIR said, which is still subject to approval by the Texas regulator. If the merger plan is not approved, or if Universal North America Insurance Co. is unsuccessful in becoming licensed in Florida, "UICNA agrees it will consent to immediate administrative supervision, for the purpose of conserving assets while UICNA develops a fully funded plan," the OIR order states.

UICNA must file its plan of merger with OIR and the Texas Department of Insurance no later than May 14, 2021, and must provide at least 45 days' notice of cancellation to the affected policyholders, UICNA must also continue to file monthly financial statements with OIR until further notice and submit an updated business plan to the regulator by Aug. 1, 2021 for the period of July 1, 2021 through Dec. 31, 2024. The plan must include the company's ability to generate "successful operation results by the implementation of underwriting changes, rate adjustments, operational savings, capital management, and other significant modifications to its current business model."

No policies from the block of satisfy the surplus cancelled policies can be requirements of [Florida law rewritten on a different UICNA nor complete its long-term

policy form or an affiliated insurer for a period of three years from the date of cancellation.

SOUTHERN FIDELITY INSURANCE CO.

Southern Fidelity's order, signed April 28, is the latest in a series of moves by OIR designed to "remediate the financial condition" of the company and to facilitate a long-term financial restructuring plan. OIR said it previously approved a rate increase, a merger with its sister company Capitol Preferred Insurance Co., the cancellation of an identified block of policies, and a capital contribution plan developed by Southern Fidelity's new indirect owners, HSCM Bermuda.

The 19,600 policies Southern Fidelity is seeking to non-renew are generating significant losses, and OIR found after evaluation that dropping the policies is "necessary to protect the best interest of its policyholders and the public."

"Information filed by the company in support of its request demonstrates that without the approval of this plan of nonrenewal, the company would not be able to satisfy the surplus requirements of [Florida law], nor complete its long-term

restructuring plan," the order states.

Southern Fidelity is required to actively facilitate the placement of the policies to be nonrenewed through "robust" communication with its agents and by providing data to other insurers expressing interest in offering replacement coverage under a confidentiality agreement.

Southern Fidelity must also provide OIR with an actuarial review of its homeowners programs to "properly position its rates so as to avoid adverse selection and improve future loss ratios," as well as adhere to file and use rate filings on a prescribed schedule. The company wrote more than 133,000 policies in Florida as of Dec. 31, 2020, making it among the top five insurers in the state.

GULFSTREAM PROPERTY & CASUALTY CO.

The financial condition of personal residential insurer Gulfstream, which has 56,000 policies in Florida, will deteriorate to an unsustainable level by mid-2021 without action, the May 6 consent order from OIR states. As such, the company has been approved to early cancel approximately 20,311 personal residential policies. Gulfstream has also signed a letter of intent with a new investor that Continued on page 19

LOUISIANAAGENT **PAGE 19**

FLORIDAINSURERS

Continued from page 18

stipulates the policy cancellations as a condition of its investment.

The company also reported that it will no longer have risk on any policies outside of Florida, except for about 90 policies in Texas that will nonrenew by June 20, 2021, as part of an ongoing renewal rights transaction and withdrawal from the state of Texas.

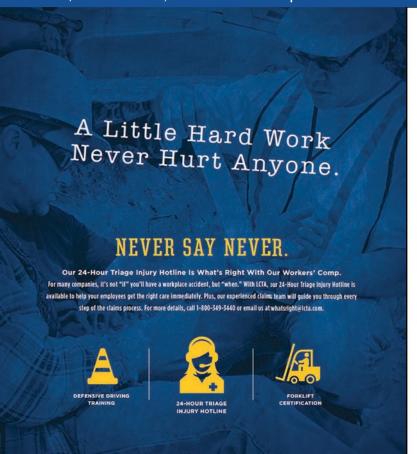
Gulfstream reported a decrease in surplus of more than \$5.2 million as of Dec. 31, Gulfstream has voluntarily 2020 compared with the same date in 2019, the order states. Its surplus included a net loss of \$22.6 million, a net

underwriting loss of \$34.9 million and capital contributions of \$17.1 million, without which its surplus would have fallen below the required \$10 million.

If Gulfstream is unable to complete its obligations in the investor letter of intent or the move is not approved by OIR, Gulfstream will consent to immediate administrative supervision for the purpose of conserving assets while it develops a fully funded plan. the OIR order states. ceased writing new business. OIR said, and may only resume disproportionate cost of doing so if its revised business plan is filed and approved by

the regulator. Gulfstream must submit an updated business plan to OIR by July 1, 2021.

Demotech President Joseph Petrelli said Florida companies are taking action to nonrenew and cancel policies to lower their exposure in particular geographic areas and their reinsurance costs. Demotech requires "rigorous" reinsurance programs from the Florida insurers it rates, and advised in March that several companies may need to remove certain policies from their books "whose underwriting characteristics generate a reinsurance," to sustain their ratings.



HAT'S RIGHT WITH WORKERS' COMP





Commercial Insurance Solutions

We offer insurance solutions for small, medium, and large businesses with competitive pricing, an easy submission process, and the opportunity for multi-product discounts. Visit www.guard.com to see what we can do for you.

- Businessowner's
- Commercial Auto
- Commercial Umbrella
- Professional Liability/E&O
- Workers' Compensation Pay-As-You-Go options with over 200 payroll partners!

Not all Berkshire Hathaway GUARD Insurance Companies provide the products described herein nor are they available in all states. Visit www.guard.com/states/ to see our current product suite and operating area

FLORIDAINSURERS

Continued from page 19

"Between the geographical issues and the disproportionate reinsurance cost issues, we think that's a smart move on behalf of companies," Petrelli told Insurance Journal in response to the recent orders.

For consumers, the actions make a tough market even tougher. Florida Insurance Consumer Advocate Tasha Carter said she has been assisting homeowners daily who are facing challenging

consequences because their policies have been cancelled or nonrenewed. As insurers offset sustained losses with rate increases and coverage restrictions, homeowners are left to pay higher rates with fewer options and less coverage, she said.

"In addition to raising rates, the cancellation of high-risk policies is another step insurers are taking to reduce their exposure and mitigate their risk in an effort to improve their overall financial stability to ensure financial protection for policyholders," Carter said in a statement to Insurance Journal. "I am hopeful that the implementation of the [property insurance] legislation will lead to a reduction of rates and increased coverage and capacity."

In the meantime, OIR encouraged consumers who receive a cancellation notice from their insurer to immediately contact their agent to obtain replacement coverage, and noted the companies will also contact their appointed agents to facilitate the placement of policies with other insurers.

"OIR's priority is to ensure consumers have access to coverage and will make every effort to help consumers find replacement coverage," the regulator said.

STRONG AND STABLE WORKERS' COMP





LOOKING FOR A NEW COMMERCIAL BROKER?

Whether it's coverage for an apartment building, convenience store, mobile home park, car dealership or liquor liability that you need; always think of RPS when working on your Commercial Risks!

800.256.2171

Toll Free:

Main Number: 985.892.7428

PAGE 21 LOUISIANAAGENT

COMMISSIONER DONELON UPDATES 2020 HURRICANE DATA THROUGH MARCH 31, 2021

Louisiana Department of Insurance News Release, April 29, 2021

Insurers have increased their estimates of the cost of the three hurricanes that struck Louisiana by 25 percent since the end of last year, Insurance Commissioner Jim Donelon said.

Insurance companies now expect to pay \$9.6 billion on claims of all types from hurricanes Laura, Delta and Zeta in Louisiana, up from \$7.7 billion at the end of last year, according to the latest round of information from insurers quantifying paid and reserved losses through March 31.

Policyholders have now filed 311,266 claims of all types from the three storms through the first quarter of this year. Of those, 192,045 claims, or 62%, were closed with payment as of March 31, garnering \$6.9 billion in payments for damage caused by the three hurricanes.

"This data underscores just how devastating the 2020 storm season was in Louisiana," Commissioner Donelon said. "The increase in the reserves backs up what I've been counseling policyholders about their claims – it isn't a one-shot deal. If you find additional damage or increased costs after your original claim, you can file supplemental claims until your repairs are complete, as there is no release applicable to first party claims except under unique circumstances."

Last fall, the Louisiana Department of Insurance (LDI) issued a "data call" requiring all authorized property and casualty insurers, including surplus lines insurers, to submit their claims data on hurricanes Laura, Delta and Zeta in Louisiana at regular intervals until October 2021. The figures represent insurance claims from both personal and commercial insurance.

They do not include claims or payments from the National Flood Insurance Program,







*Beyond Floods*** branded policies underwritten by one or more companies in the National General Insurance Group, Winston-Salem, NC, NatGen Flood Division. Rates vary. Terms, conditions, limits and exclusions apply. Availability may vary by state.







THE CRAY INSURANCE COMPANY

INSURING YOUR COMMERCIAL CASUALTY RISKS

WWW.GRAYINSCO.COM • 504-888-7790





















UFG Insurance celebrates 75 years

In celebration of our 75th anniversary, we at UFG reflect on all the people who have had a hand in our success over the years. After all, our company was founded on the belief that the insurance business is a people business—and that remains at the heart of who we are today.

As we begin our next 75 years, we give our most humble thanks to our independent agents. We owe our success to you.

UFG INSURANCE | 118 Second Avenue SE, Cedar Rapids, Iowa 52401 | ufginsurance.com | 800-332-7977 © 2021 United Fire & Casualty Company. All rights reserved.

HURRICANEDATA

Flood Insurance Program, which is not regulated by the Louisiana Department of Insurance. They also do not include uninsured losses and what people paid out of pocket to cover the deductibles on their insurance policies. As such, the true cost of the three Category 4 storm. Calcasieu, storms is much higher.

The 2020 storm season was the most active ever in Louisiana, with three hurricanes plus tropical storms Cristobal and Marco striking the state. The 2020 storm season was also the second most expensive for Louisiana behind the 2005 storm season. Hurricane Laura has now displaced Hurricane Rita in

Continued from page 21

2005 as the second most costly storm in Louisiana history.

Policyholders have filed 170,956 claims from Hurricane Policyholders have filed Laura, which struck Southwest 85.834 claims from Hurricane Louisiana on August 27 as a Rapides, Beauregard, Ouachita October 9 as a Category 2 and Vernon parishes had the most claims from the storm.

As of March 31, insurers had closed 83% of the claims from Hurricane Laura, 65% of which At the end of March, insurers were closed with payment. Total paid losses plus reserves claims, and 60% of those on reported claims from all surveyed lines of insurance for payment. Insurers have paid or Hurricane Laura at the end of March were \$8.3 billion.

accounting for the vast majority of damage from the record 2020 hurricane season in Louisiana.

Delta, which made landfall in Southwest Louisiana on storm. Calcasieu, Lafayette. Acadia, St. Landry and East Baton Rouge parishes filed the most claims from the storm.

had closed 89% of all Delta claims were closed with reserved \$752.8 million to cover losses from reported



LOUISIANAAGENT PAGE 24

HURRICANEDATA

Continued from page 23

claims from all surveyed lines of insurance for Hurricane Delta as of March 31. Policyholders have filed 54,476 claims from Hurricane Zeta, which made landfall in Terrebonne Parish on October 28 as a strong Category 2 storm. Most of the claims came Anyone who is having trouble from Jefferson, Orleans, St. Bernard, St. Tammany and Lafourche parishes.

As of March 31, insurers had closed 88% of reported Zeta claims, and 54% of those claims were closed with payment. Total paid losses plus The LDI will continue to reserves on reported claims from all surveyed lines of insurance were \$566 million

for Hurricane Zeta in the most deadline for data is Oct. 8, recent report.

Data for the 2020 hurricanes through March 31 can be found at

with their insurance claim should file a complaint with the Louisiana Department of Insurance by going www.ldi.la.gov/fileacomplaint or by calling the LDI at 1-800-259-5300.

collect data from property and policyholders. casualty insurers to monitor the claims process. The final

2021.

About the Louisiana **Department of Insurance:** The Louisiana Department of www.ldi.la.gov/datacallresults. Insurance works to improve competition in the state's insurance market while assisting individuals and businesses with the information and resources they need to be informed consumers of insurance. As a regulator, the LDI enforces the laws that provide a fair and stable marketplace and makes certain that insurers comply with the laws in place to protect



CERTAINTY AND STABILITY YOU CAN RELY UPON

RISCOM is a full service Louisiana MGA specializing in commercial auto and package business.

Our focus remains on competitive, responsible pricing to ensure growth and long term market presence for our agency partners. With an appetite for accounts of all sizes, think of RISCOM for...

AUTO - GENERAL LIABILITY - INLAND MARINE PROPERTY - EXCESS PAGE 25 LOUISIANAAGENT

AGENTS COUNCIL FOR TECHNOLOGY ANNOUNCES ONLINE AGENCY CYBER SELF-ASSESSMENT

Independent agencies can now gauge their cyber readiness with free ACT resource

The Big "I" Agents Council for Technology has released the Agency Cyber-Readiness Self-Assessment, now available online as a supplement to the Agency Cyber Guide 3.0.

Agencies can now use the self-assessment tool to determine where they stand on cyber readiness, including vulnerabilities, best practices, and compliance with the evergrowing list of regulations and legislation surrounding cybersecurity compliance. The assessment helps clarify an agency's preparedness through a brief series of questions, directing back to key resources in the Agency Cyber Guide 3.0 to solve pain points.

"There's certainly no shortage of confusion around cybercrime, and it can be difficult to have a clear understanding of where your agency stands when it comes to cybersecurity," says Ron Berg, ACT executive director. "However, it's critical agencies have thorough knowledge of their responsibilities and operations to remain a trusted choice for their clients. This resource will make it much easier for agents to assess

their cyber-readiness position and develop a strong cyberhygiene strategy."

The self-assessment tool is housed on the Agency Cyber Guide 3.0 homepage, along with other tools for agencies to take action on cybersecurity. ACT provides insights, education, real resources and more to help independent agencies address workflow and technology issues.

Founded in 1896, the **Independent Insurance Agents** & Brokers of America (the Big "I") is the nation's oldest and largest national association of independent insurance agents and brokers, representing more than 25,000 agency locations united under the Trusted Choice® brand. Trusted Choice independent agents offer consumers all types of insurance-property, casualty, life, health, employee benefit plans and retirement products from a variety of insurance companies.

The Agents Council for Technology (ACT) was established in January 1999 by the Independent Insurance Agents & Brokers of America (the Big "I") to provide a candid, action-oriented forum to address the critical workflow and technology issues facing the independent agency system. ACT helps participants understand the perspectives of the other stakeholders in the process and provides excellent networking opportunities with the participants who are shaping the future for the industry on these issues.

ACT members include:

Industry associations and consultants: ACORD, CSIO, IIABA, Insurance Brokers Association of Canada, Angela Adams Consulting Services, Steve Anderson Consulting, WSIA

Technology providers:

AgencyKPI, Agency
Revolution, Agentero, Applied
Systems/IVANS, AssureSign,
CoverWallet for Agents,
CyberClearSafe, DAIS, Duck
Creek Technologies, EZLynx,
GloveBox, HawkSoft, Indio
Technologies, ITC, Insurance
Agent Mobile Application,
Levitate, LexisNexis Risk
Solutions, Neilson Marketing
Services, North American
Software Associates, Rigid
Bits, SimplePin, Simply Easier,
Continued on page 27





Member of Great American Insurance Group

summitholdings.com

PAGE 27 LOUISIANAAGENT

CYBERSELF-ASSESSMENT

Payments/EchoSage, Strategic Insurance Software, Vertafore, Veruna, Xanatek, XDimensional Technologies

User groups: AgentLynx by EZLynx, Applied Client Network, the HawkSoft Users Group, NetVU, the Nexsure User Group, Partner XE User Community

Carriers: Allstate IA, The Berkley Companies, Chubb Group of Insurance Companies, The Cincinnati Insurance Companies, CNA, Columbia Insurance, Dryden Mutual Insurance Company, EMC Insurance Companies, Encompass, Encova Insurance, Grange Insurance, The

Continued from page 25

Hanover Insurance Group, The Hartford, Hartford Steam Boiler, Liberty Mutual Insurance, Main Street America Insurance, Merchants Insurance Group, MetLife Auto & Home, Nationwide Insurance, New York Central Mutual Insurance, Ohio Mutual Insurance Group, Penn National Insurance, Progressive, Safeco Insurance, Selective Insurance Company of America, Travelers, Utica National Insurance Group, Western National Insurance and Westfield Insurance



How is it that The Iroquois Group can work effectively with Member Agencies with \$2 million in premium and others with \$102 million?

Because Iroquois creates a custom fit of markets, resources and benefits to meet each agency's needs.

Using a variety of analytical tools, Iroquois measures each agency to identify opportunities to increase their revenue, profits and agency value. Then they stitch together a plan to maximize agency performance with plenty of flexibility and room for independence.

Get a Custom Fit from Iroquois

What custom fit is right for your agency?

- On't want to pay an initiation or monthly fee? We don't charge any.
- Want to earn superior compensation from your carriers? We can show you how.
- On't want interference in how to run your agency? We offer information and options, but you make all decisions for what is best for your agency.
- Want direct carrier appointments outside the network? Not a problem.



Want to explore what Iroquois could design for your agency? Visit our website at www.iroquoisgroup.com or contact Cameron Cardinal at 504-579-3278

LOUISIANAAGENT PAGE 28

IIABL SPOTLIGHT: SELECTIVE FLOOD

How important is offering a flood quote with every homeowner policy? And making sur your customers receive the very best customer service experience if they experience a loss?

Of course both of these are critically important to you and your customers.

That's why partnering with an experienced flood carrier with dedicated resources like Selective is so important.

Together, IIABL and Selective Flood's partnership offers agents access to one of the industry's leading flood programs. Endorsed by the national Big "I", Selective Flood few simple steps, the tailors personalized customer service and an easy-to-use quoting platform that makes doing business with Selective a competitive advantage for your agency.

Why Selective Flood?

Personalized Service

Selective handles polices from inception to payment of a claim for each customer. No third-party vendors, just oneon-one processing to meet your customer's needs.

A Trusted Partner

Selective knows that partnership is key, which is why their in-house Gulf Region Underwriting team has vears of experience and are well-versed in National Flood Program changes.

QuoteitNow

A self-service, easy-to-use flood-quoting tool is available for appointed agents to add to their agency website. With a QuoteitNow video walks customers through a flood application up to binding, and directs them to contact the agency to complete the process. This is also an excellent referral tool for the agency to follow-up with prospective clients to discuss how flood coverage can protect their property.

State of the Art Tools

In addition to QuoteitNow, Selective provides www.selectiveflood.com. a state-of-the-art flood system to make placing your flood business easier than ever. including streamlined navigation, real-time processing, and quick access to reports, commissions, claim information and much more.

Training and Information

Skilled Territory Manager, Gregg Porter, offers flood expertise and often facilitates training and Continuing Education (CE) classes & webinars for agency staff.

Customized Marketing Resources

Selective also offers a variety of tailored solutions, ranging from co-brandable flyers, brochures and postcards to custom eMarketing campaigns, pre-recorded radio spots, and billboard designs. Selective Flood's unique strategic marketing is your agency's value-added flood partner.

Get access to Selective Flood's personalized support, easy-touse quoting platform and customized marketing resources today through the IIABL!

For more information about a Selective Flood appointment. contact Jamie Newchurch at inewchurch@iiabl.com today.

BURNS & **PROFESSIONAL**

PROFESSIONAL COVERAGE IS OUR MIDDLE NAME.

Only Burns & Wilcox has the depth and breadth of experience to deliver the right solutions right away.

Burns & Wilcox

burnsandwilcox.com

New Orleans, Louisiana | 504.838.9941 toll free 800.442.8621 fax 504.834.3615

Baton Rouge, Louisiana 225.295.7588 toll free 866.710.5484 | fax 225.295.3150

Monroe, Louisiana | 318.807.6028 fax 225.295.3150



Commercial | Professional | Personal | Brokerage | Binding | Risk Management Services



Unlike other workers' comp providers, LCI is a Louisiana business that understands how Louisiana businesses work. We take the time to get to know our members personally, which means we get to know the ins and outs of your business. So when you need us most we won't show up with a giant ice ax. 985-612-1230 :: lciwc.com



PAGE 30 LOUISIANAAGENT

BIG 'I' PROVIDES SUMMARY OF NEW HEALTH INSURANCE COMPESNATION DISCLOSURE REQUIREMENTS

By: Wyatt Stewart, Big "I" Assistant Vice President of Government Affairs

As previously reported in News & Views, at the end of 2020, President Trump signed into law bipartisan legislation that included a \$900 billion COVID-19 relief package and a \$1.4 trillion omnibus government funding package.

The omnibus government funding piece of the legislation included a section eliminating surprise medical billing which will have an impact on health insurance producers and consultants because it also

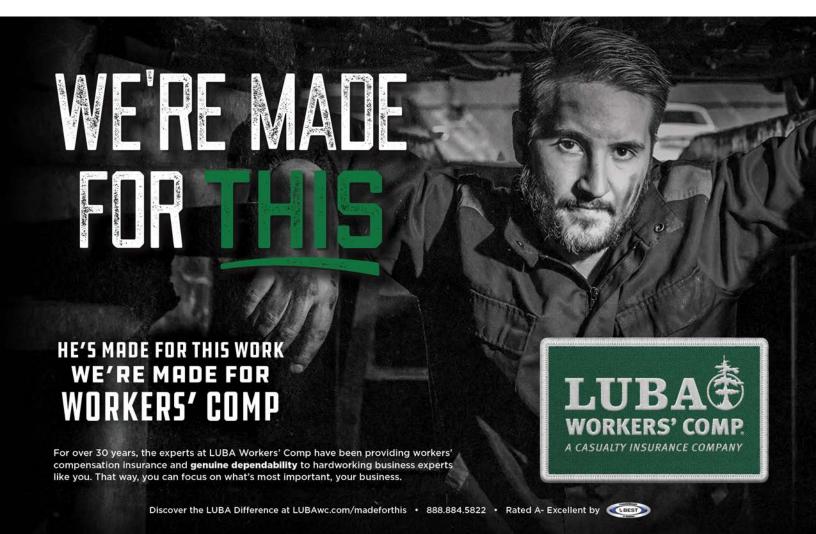
requires them to disclose their compensation and other information to group health plan sponsors.

The act also requires health issuers to disclose to individual health insureds the compensation paid to the agent or broker involved in coverage selection and enrollment. The new requirements, which can be found in Section 202 of the omnibus law, take effect on Dec. 27, 2021.

A Big "I"-created summary of the new requirements effective later this year can be found here.

The Big "I" intends to seek additional clarity and guidance from federal regulators concerning compliance with these new disclosure obligations, and the association will be providing additional information as the effective date approaches.

Read summary on page 27-29.



PAGE 31 LOUISIANAAGENT

SUMMARY OF RECENTLY ENACTED HEALTH INSURANCE COMPENSATION DISCLOSURE REQUIREMENTS

The comprehensive appropriations measure passed by the Congress and signed into law by President Trump in the final days of 2020 included a provision that will have a significant impact on health insurance producers and consultants and require them to disclose their compensation and other information to group health plan sponsors. The act also requires health issuers to disclose to individual health insureds the compensation paid to the agent or broker involved in the coverage selection and enrollment. The new requirements, which can be found in Section 202 of the omnibus law, take effect on December 27, 2021.

Group Health Plan Requirements

Who is subject to the new requirements?

The new disclosure requirements apply to a person (referred to as a "covered service provider") that:

 Reasonably expects to receive at least \$1000 (an amount that can be adjusted to account for inflation) in direct or indirect compensation in connection with the services provided pursuant to the arrangement or contract with a group health plan; and

 Provides brokerage or consulting services (including providing such services via an affiliate or subcontractor) to a group health plan.

The statute identifies a wide range of services that trigger the disclosure obligations, and the list includes the following:

- Selection of health insurance products (including vision and dental plans);
- Development or implementation of plan design;
- Recordkeeping services;
- Stop-loss insurance;
- Compliance services;
- Benefits administration and benefits administration selection;
- Wellness design and management services
- Transparency tools and vendors;
- Employee assistance programs; and
- Third party administration services.

What must be disclosed?

Any insurance agent, broker, consultant, or other covered service provider subject to the requirements must disclose the following to a responsible plan fiduciary:

- A description of the services to be provided to the group health plan;
- A description, either in the aggregate or by service, of all direct compensation (i.e. compensation received from the plan directly) the service provider or its affiliates or subcontractors reasonably expect to receive;
- A description of all indirect compensation (i.e. compensation received from any source other than the plan or its sponsor) the service provider or its affiliates or subcontractors reasonably expects to receive;
- The identity of any entity paying indirect compensation and description of the arrangement that exists between that entity and the service provider and the services for which the indirect compensation will be received;

Continued on page 32

PAGE 32 LOUISIANAAGENT

HEALTHINSURANCE

Continued from page 31

- A description of any compensation that will be paid among the service provider, an affiliate, or a subcontractor in certain instances if the compensation is determined on a transaction basis (e.g. commissions); and
- A description of the manner in which any such compensation will be received.

The act notes that any descriptions of compensation may be expressed as "a monetary amount, formula, or a per capita charge per enrollee or, if the compensation or cost cannot be reasonably expressed in such terms, by any other reasonable method." The text provides some examples of how compensation that may be incalculable at the time the disclosure is made, such as

forms of incentive compensation, might possibly be described.

When and how must the disclosures be made?

These disclosures must be made in writing and "not later than the date that is reasonably in advance of the date on which the contract or arrangement is entered into, and extended or renewed." Any changes in the information disclosed must be updated "as soon as practicable" and no later than 60 days from when the service provider becomes aware of the change. Additionally, service providers must respond when a responsible plan fiduciary or plan administrator requests other compensation-related information that is required by the plan to comply with its own reporting and disclosure

obligations.

Next steps

IIABA intends to seek additional clarity and guidance from federal regulators concerning compliance with these new and extensive disclosure obligations, and the association will be providing additional information as the effective date approaches.

Individual Market Requirements

There are also new requirements for health insurance issuers that offer individual coverage or shortterm limited duration insurance coverage. Once the act takes effect, it will require companies to disclose "the amount of direct or indirect compensation provided to an agent or broker in connection with plan selection and enrollment." The disclosure must be made to an enrollee prior to plan selection and be included in any documentation confirming enrollment. The law directs the Department of Health and Human Services to initiate a formal rulemaking process before the notice obligations take effect, and federal officials will be addressing the timing, form, and manner in which issuers must make the disclosures.

For additional questions, please contact Wes Bissett (wes.bissett@iiaba.net).

Partnering with people in business.

At FCCI, we've been working with businesses for more than 60 years, now in 20 states and D.C. Our financial strength, expertise and claim handling help businesses thrive and face the future with confidence.





LOUISIANAAGENT PAGE 33

CONSUMERS GET RESULTS ON HURRICANE COMPLAINTS THROUGH THE LOUISIANA **DEPARTMENT OF INSURANCE**

Louisiana Department of Insurance News Release, May 20, 2021

The Louisiana Department of Insurance (LDI) has received 1,497 complaints concerning the three hurricanes that struck the state last year and has recovered \$41 million on behalf of those consumers as of April 30, Louisiana **Insurance Commissioner Jim** Donelon said.

Grievances from hurricanes Laura. Delta and Zeta have included complaints about various types of residential, auto and commercial property insurance, as well as complaints about insurance adjusters and agents, among other issues. The most common topic of concern has shifted as hurricane claims have progressed. In January the most common grievance was claim delay. By May the most common complaint topic was inadequate and delayed payment of claims.

Of the \$41.065.540 recovered so far through the complaint process from last year's storms. Hurricane Laura accounted for the vast majority of those recoveries at \$37.8 million. Recoveries from Hurricane Delta stand at \$2.5 million and recoveries from

Hurricane Zeta are \$760.318.

"Our dedicated hurricane complaint unit is all about getting consumers the answers consumers read their policies they need and the money they deserve in the aftermath of the storms," Commissioner Donelon said. "At this point, people are turning their attention to the fastapproaching 2021 hurricane season, but we haven't forgotten about those still struggling after the 2020 season. Wherever you are in vour insurance claim process. we want to help if you're having issues with your insurer."

Investigations by the LDI's **Consumer Services Office** often prompt an insurance company to take a second look determine whether the at a claim and generate payment. Last fall, the LDI formed a special unit within the Consumer Services group to work exclusively on hurricane complaints.

The creation of a dedicated hurricane complaint team is a key component of the LDI's efforts to assist policyholders affected by hurricanes Laura, Delta and Zeta. Staff from the

LDI's Consumer Advocacy Office spent six weeks last fall working at a recovery center in Lake Charles to help and file storm claims, and the Consumer Advocacy group returned to Lake Charles in April to again help policyholders. Meanwhile, the LDI has issued three bulletins to industry alerting companies about bad faith and improper claims handling that can trigger having penalties added to claims that are improperly handled.

When the LDI receives a complaint, trained specialists listen to a consumer's account of a problem, contact the company on their behalf, investigate the situation, and company has complied with Louisiana law and the provisions of the consumer's policy. Most complaint inquiries are completed within 30 days. If a larger pattern of complaints is observed, it can trigger a broader investigation of a company known as a market conduct exam.

Continued on page 34

PAGE 34 LOUISIANAAGENT

HURRICANECOMPLAINTS

Continued from page 33

As of March 31, 2021, Louisiana insurers had received 311,266 claims for all lines of insurance from hurricanes Laura, Delta and Zeta. Although insurers label 85% of those claims as closed, Commissioner Donelon encourages policyholders to file supplemental claims for payment if they are dissatisfied with the amount of money they have received. Consumers can file as many supplemental claims as needed until their properties are rebuilt, subject to any time limits contained in their policies or Louisiana law.

As of April 30, policyholders had filed 1,145 complaints about Hurricane Laura, 206 complaints related to Hurricane Delta, and 146 complaints concerning Hurricane Zeta. About 77% of these complaints are in regard to homeowners policies.

Policyholders can file complaints related to hurricanes or any other insurance issue by going to www.ldi.la.gov/complaints or by calling 1-800-259-5300 and selecting option 3.

The 15 insurers	with the highes	t number of l	homeowners comp	laints are listed below:

Company/Group	Market Share	# of Complaints	Complaint Index
State Farm Group	25.96%	275	0.92
FedNatHolding Co Group (1)	3.86%	157	3.51
GeoVera	1.82%	102	4.85
Allstate Insurance Group	10.84%	101	0.81
United Insurance Holdings Group (2)	4.02%	95	2.04
Allied Trust Insurance Company	.092%	59	5.58
TWIMG Group (3)	3.08%	45	1.27
USAA Group (4)	6.18%	40	0.56
Liberty Mutual Group (5)	5.56%	30	0.47
Progressive Group (6)	3.85%	26	0.58
Centauri Specialty Insurance Holdings Group	1.56%	23	1.27
American Bankers Ins. Co. of Florida	1.42%	19	1.16
Gulf States	0.68%	17	2.17
IAT Reins Co Group (7)	0.86%	17	1.70
Bankers Specialty Insurance Co.	0.69%	16	2.00

The company trade names associated with each insurance group and the number of complaints against each in brackets are as follows:

- 1. FedNat Ins Co [97] Maison Ins Co [60]
- 2. United Prop & Cas Ins Co [76] Family Security Ins Co Inc [19]
- 3. Lighthouse Excalibur Ins Co [27] Lighthouse Prop Ins Corp [18]
- 4. USAA Cas Ins Co [24] USAA Gen Ind Co [9] United Services Automobile Association [4] Garrison Prop & Cas Ins Co [3]
- 5. Liberty Personal Ins Co [17] Liberty Mutual Fire Ins Co [7] Safeco Ins Co of OR [5] –

 Safeco Ins Co of Amer [1]

 Continued on page 35
- 6. Progressive Prop Ins Co [19] ASI Lloyds [7]
- 7. Occidental Fire & Cas Co of NC [15] Wilshire Ins Co [1] Service Ins Co [1]

PAGE 35 LOUISIANAAGENT

HURRICANECOMPLAINTS

Continued from page 34

The table also includes a complaint index, which represents one company's share of complaints divided by its share of the market and allows consumers to compare companies without regard to size. A company with a complaint index of one has an average number of complaints. A company with a complaint index above one has more complaints than average. A company with a complaint index below one has fewer complaints than average.

The 15 insurers with the highest complaint index scores are listed below:

Company/Group	Market Share	# of Complaints	Complaint Index
Allied Trust Insurance Company	0.92%	59	5.58
GeoVera	1.82%	102	4.85
Scottsdale Insurance Co.	0.33%	14	3.68
FedNatHolding Co Group (1)	3.86%	157	3.51
AEGIS Group	0.38%	13	2.93
Gulf States	0.68%	17	2.17
United Insurance Holdings Group (2)	4.02%	95	2.04
Bankers Insurance Group	0.69%	16	2.00
IAT Reins Co Group (3)	0.86%	17	1.70
Centauri Specialty Insurance Holdings Group	1.56%	23	1.27
TWIMG Group (4)	3.08%	45	1.27
American Bankers Ins. Co. of Florida	1.42%	19	1.16
National Security Group	0.18%	2	0.97
Capitol Preferred Insurance Company	0.74%	8	0.94
Munich Re Group (5)	1.32%	14	0.92

The company trade names associated with each insurance group and the number of complaints against each in brackets are as follows:

- 1. FedNat Ins Co [97] Maison Ins Co [60]
- 2. United Prop & Cas Ins Co [76] Family Security Ins Co Inc [19]
- 3. Occidental Fire & Cas Co of NC [15] Wilshire Ins Co [1] Service Ins Co [1]
- 4. Lighthouse Excalibur Ins Co [27] Lighthouse Prop Ins Corp [18]
- 5. American Modern Prop & Cas Ins Co [5] American Modern Home Ins Co [4] American Western Home Ins Co [3] American Southern Home Ins Co [1] American Family Home Ins Co [1]

About the Louisiana Department of Insurance: The Louisiana Department of Insurance works to improve competition in the state's insurance market while assisting individuals and businesses with the information and resources they need to be informed consumers of insurance. As a regulator, the LDI enforces the laws that provide a fair and stable marketplace and makes certain that insurers comply with the laws in place to protect policyholders. You can contact the LDI by calling 1-800-259-5300 or visiting www.ldi.la.gov.

PAGE 36 LOUISIANAAGENT

HOMEOWNERS' FORM AND ENDORSEMENT CHANGES COMING IN 2022 MULTISTATE FILING

Insurance Services Office (ISO) has released to the Big I Virtual University the upcoming Homeowners' multistate filing tentatively effective March 2022. Yes, 2022. Eleven years have passed since ISO's last major multi-state filing.

Within this filing, ISO:

- Introduced 13 new forms and endorsements;
- Revised 120 forms and endorsement; and
- Withdrew 11 forms and endorsements.

A noticeable change is not coverage-based but rather is design-based. ISO has replaced the familiar double-column format and moved to a single-column format. This appears to make it easier to read the forms on a computer screen (no more scrolling up and down).

Many of the changes in this filing can be traced back to the work of Big I's Technical Affairs Committee (TAC). Most Big I members are unaware of the contribution of the TAC team. Over the years, many changes have resulted from the persistence of the TAC team and the willingness of

ISO to hear our thoughts. It is a small team consisting of five members, but the results are amazing. The 12 changes contained in this filing originating from TAC are noted as "TAC Item."

Here is what you need to know about the key changes.

- The "business" definition will address mineral rights and update the dollar limit threshold included within this definition. The annual maximum dollar business revenue threshold is raised from \$2,000 to \$5,000.
- Most of the personal property special limits are increasing; for example, the money limit is raised from \$200 to \$300, and the theft of jewelry limit is raised from \$1,500 to \$2,000.
- A new special limit of liability (\$2,000) is being prescribed for hobby or model aircraft.
- Digital or virtual currency is now listed as property not covered.

- Many of the maximum dollar limits in the additional coverages property section are raised to recognize inflation; for example, the per tree coverage limit is increased from \$500 to \$1,500.
- The loss settlement provision increases the loss threshold (from \$2,500 to \$5,000) for obtaining replacement cost loss settlement whether or not the repair or replacement of the property is completed.
- The "motor vehicle liability" exclusion is amended to now cover a loss while a riding lawn mower is being operated.
- A new "cannabis" definition is introduced, along with listing it as property not covered.
- Home-sharing host activities coverage restrictions are now built into the base homeowners form, eliminating the need for such endorsements. The broadened homesharing activities coverage endorsements remain in place.

Continued on page 37

2022CHANGES

Continued from page 36

 A new coverage form, Homeowners 14— Contents Comprehensive (HO 00 14), offers broader coverage than the HO 4 contents form and is geared to millennials' specific needs and lifestyles. For example, it offers broader homesharing coverage and additional coverage for hard drive data recovery.

For comprehensive analysis of the new ISO Homeowner's filing please see the Big I Virtual University article found HERE. A Sponsor and
Partner of
Independent
Insurance
Agents & Brokers
of Louisiana

AccidentFund.com



Part of the AF Group



Experience & Financial Stability

SafePoint is a premier provider of insurance protection in the state of Louisiana

Comprehensive Online Benefits

Complete Online Quoting & Binding Available

Protecting With Exceptional Resources

We are rated by A.M. Best and "A" Exceptional by Demotech

Specializing In These

Personal Coverages Preferred HO3 DW1, DW2 & DW3 OUR PRODUCTS









LOUISIANAAGENT PAGE 38

BIG 'I' ADVOCATES AGAINST HARMFUL TAX INCREASES ON **SMALL BUSINESSES**

By: Wyatt Stewart Big "I" Assistant Vice President of Federal Government Affairs

In April, President Joe Biden unveiled his American Families Plan, which contains multiple significant tax increases, including ending a tax preference known as "steppedup basis" that allows people to pass investments to heirs taxfree at the time of their death.

In response, the Big "I" joined a number of small business organizations in sending a letter to the leadership of the U.S. Senate Committee on Finance and the U.S. House Ways and Means committee showing support for the continuation of stepped-up basis.

This procedure is critical to helping businesses survive the loss of a loved one or business partner. Repealing the stepped-up basis by imposing capital gains taxes when assets transfer ownership at death would force many familyowned businesses to liquidate assets or lay off employees to cover the burden. This new tax would be imposed on top of any existing estate tax liability, further compounding the negative impacts and creating a second tax at death.

The letter to the committee leaders highlights a study from congressional Democrats **Ernst & Young that illustrates** the economic damage that repealing stepped-up basis and will continue to strongly imposing a tax on unrealized gains at death would inflict. The study forecasts that 80,000 jobs would be lost in each of the first 10 years and gross domestic product (GDP) would decrease by \$100 billion over 10 years. Additionally, for every \$100 of revenue raised via taxing capital gains at death, \$32 would come out of workers' pavchecks.

As President Biden and consider ways to pay for their spending priorities, the Big "I" advocate against raising taxes on small businesses and Big "I" members.



FOREST INSURANCE FACILITIES



131 Airline Drive, Suite 300, Metairie, LA 70001-6266 P.O. Box 7635, Metairie, LA 70010-7635

PHONE: (504) 831-8040 FAX: (504) 831-4499

www.forestinsurance.com

PAGE 39 LOUISIANAAGENT

HOW DO I KNOW IF MY AGENCY IS CYBER-SECURE?

Independent insurance agencies, as holders of critical personally-identifiable information (PII), truly are the target of cyber criminals – These nefarious entities have long ago stopped 'shotgunning' across all businesses, and now focus on those that they know have the valuable data from which they can sell and profit.

And the pandemic has not slowed their focus – by October of 2020, the number of records exposed reached a

staggering 37 billion records increasing by 141% from 2019*. Even more concerning - the Finance & Insurance sector grew to be the third most targeted of all industries, accounting for over 12% of all breaches. This is ahead of Manufacturing, Retail, Education.

There is certainly no shortage of news and confusion around cybercrime – insurance company data breaches, independent insurance agency ransomware attacks, business

email compromise, spoofing, the list goes on.

All this considered, we need to take this focus on our industry seriously; we need to prepare and prevent incursions as best possible. ACT is your partner in providing insights, education, real resources, and links to industry cyber service providers to help your agency be as cyber-ready as possible.

INTRODUCING



We simplify technology for insurance agencies.





The number of ways you can leverage tech to increase profits and serve customers is nearly unlimited. But time, know-how, and fear of risk are getting in the way.

Catalyit solves it for you.



LOUISIANAAGENT PAGE 40

CYBERSECURE

Continued from page 39

Add to the mix the myriad cyber compliance requirements imposed upon insurance agencies by the Gramm-Leach-Bliley Act, the California Online Privacy Protection Act, NY DFS, as well as additional states adopting versions of the NAIC Cybersecurity Recommendations, and agency personnel are left with confusion on what to do and how to get started.

Late in 2020, ACT released our Agency Cyber Guide 3.0 a free comprehensive resource that includes a breakdown of the regulations and descriptions, as well as

provides a 12-step compliance roadmap that agents can use to chart their way through the admittedly confusing cyber terrain.

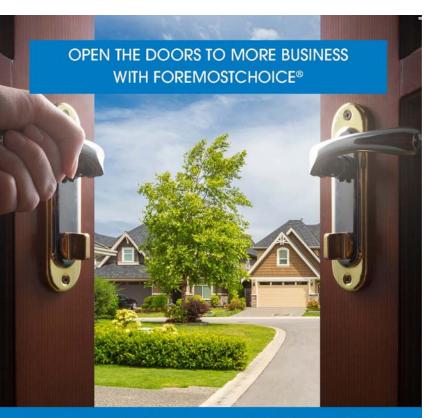
But in covering all these insights and providing corresponding cyber resources, we realize it still can be difficult to clearly assess where your agency stands when it comes to cyber-readiness.

That's why our ACT Security Issues work group immediately began work on a quick and concise "Agency Cyber-Readiness Self-Assessment" that will help

you not only clarify your agency's preparedness and understand the critical areas still needing action, but will also point back to key resources within the Agency Cyber Guide 3.0.

You can access the Cyber-Readiness Self-Assessment from the Agency Cyber Guide 3.0 home page or going directly to the assessment by clicking HERE.

* Source - Risk-Based Security, 2020 Year End Data Breach **Quick View Report**



Foremost Choice Home is our newest property insurance offering for your standard Homeowners customers and we've already made it even better. We've revised rates and enhanced the program to make it more competitive in Louisiana!

LEARN MORE AT FOREMOSTAGENT.COM





COMPETITIVE COMMISSIONS. AFFORDABLE POLICIES. FLEXIBLE COVERAGE. RELIABLE SERVICE.



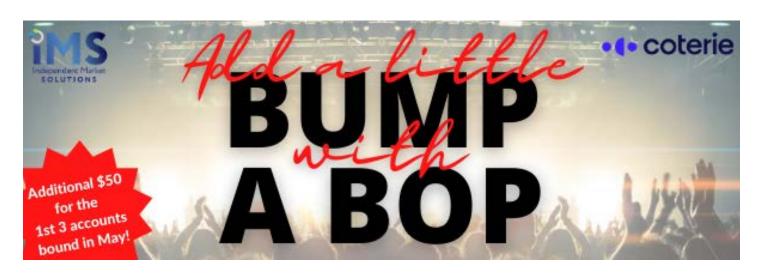


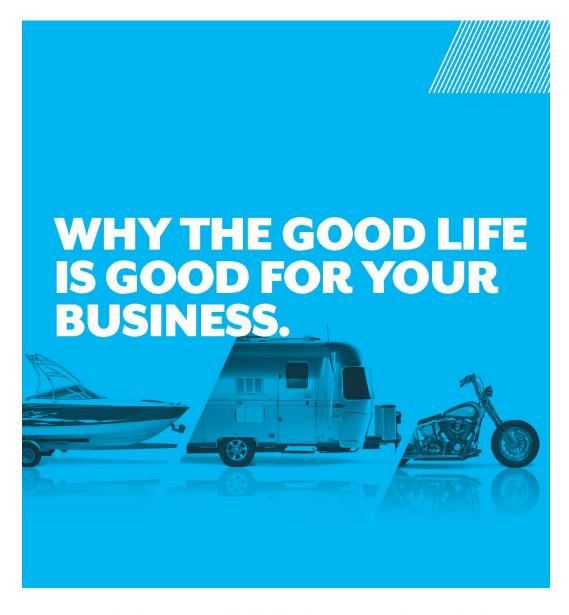
LET'S TALK

EDDIE STORY | LOUISIANA TERRITORY MANAGER CELL | 504.430.0050 EMAIL | ESTORY@ALLIEDTRUSTINS.COM

We're a proud Silver sponsor of IIABL because we love our agents

PAGE 41 LOUISIANAAGENT





Boat, Motorcycle and RV coverages are powerful tools that help with customer acquisition and retention. To learn why Progressive is a leading underwriter of recreational products in the nation, or to become a Progressive appointed agent, visit **ProgressiveAgent.com**.



PAGE 42 LOUISIANAAGENT

PRIVACY-RELATED TRAINING AND REGULATORY COMPLIANCE

By: Richard J. Bortnick, Esq.

Can your small/mediumsized business survive without it?

For businesses large and small, compliance with federal, state. and foreign privacy laws and regulations has become an essential obligation. These laws govern a company's collection, storage, use, sharing and disposal of personally identifiable information ("PII"), protected health information ("PHI"), and payment card information ("PCI"). A company's innocent or inadvertent failure to abide by these laws, or its failure to timely and fully disclose how it performs such tasks, can make it a target for regulatory proceedings and civil class actions. These lapses can also be a source of reputational damage.

Employment and consumerrelated risks and exposures also have become more prevalent, particularly under the Americans with Disabilities Act ("ADA"). So too, private and public company shareholder suits may loom.

In short, the risks are real, particularly for small and medium-sized firms which typically do not have the robust cybersecurity

protections of larger companies. The average cost of a breach was \$8.9 million in 2019. The cost per breached record was \$242 for PII. The cost per record for PHI was \$428. A Deloitte University Press study reveals that 80% of consumers are more likely to do business with companies that have not experienced a privacy event than with a company that has suffered one.

So, what do you do?

In short, businesses cannot ignore their data security and privacy compliance. While the requirements for each business will be different, there are some general

practices to follow:

- Create and memorialize regulatory compliance policies and procedures;
- Provide compliance training to key personnel;
- Inventory and assess the PII, PHI and PCI collected so that you have a record of what is in your possession;
- Update your website home page to comply with applicable laws;
- Address nondiscrimination issues to provide consumers with the right to equitable



Americas is committed to providing the highest level of customer service. We challenge ourselves daily and emphasize focus on **Loyalty, Stability, and Reliability.**



Visit us at www.Americas-Insurance.com



Specializing in Louisiana Homeowners and Dwelling Insurance PAGE 43 LOUISIANAAGENT

TRAININGCOMPLIANCE

Continued from page 42

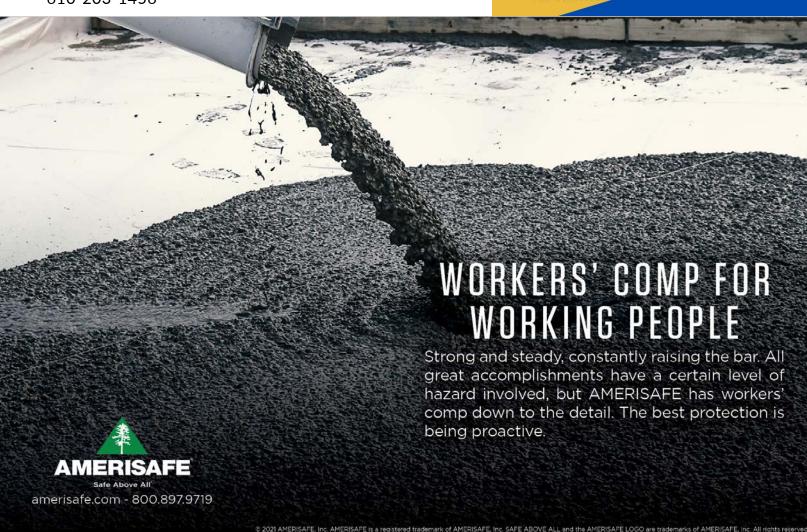
service and pricing;

- Implement and regularly update appropriate incident response and business continuity plans;
- Conduct an audit of (or obtain an assessment certification from) your vendors and others with access to your electronic infrastructure to ensure that these third parties are compliant with governing law and have cybersecurity protections at least as robust as yours; and
- Work closely with your insurance broker to evaluate the coverage you have and that which you contemplate buying (and not buying).

When performed properly, such services and tools should mitigate and reduce a company's risks and potential exposures. The alternative could be a company's demise.

Richard J. Bortnick, Esq. rjbortnick@comcast.net 610-203-1456





June 16, 2021

Presentation 9:30 - 10:30 am Virtual Expo 10:30 am

BING ONFERNALIT

REGISTER NOW!

IIABL 2021 Legislative Session Summary

with Jeff Albright, IIABL CEO
*Approved for 1 Hour of Continuing Education

PAGE 45 LOUISIANAAGENT

IIABL EDUCATION & EVENTS CALENDAR

JUNE 2021



IIABL CE ON DEMAND



LIVE & INTERACTIVE WEBINARS

E&O Risk Management

- Ethics
- Flood
- Commercial Lines Courses
- Personal Lines Courses
- Professional Development

6/8	Flood Insurance and the NFIP
12-3pm	

6/15 Insuring Commercial 12-3pm Transportation Expo

Transportation Exposures: The Business Auto and Motor Carrier

Coverage Forms

6/17 Agent's E&O: Duties, Operations,

8-11am <u>Checklists, and More</u>

6/22 Nailed It: Understanding Insurance
12-3pm Requirements in Construction

Contracts

6/23 Homeowners Loss Settlement

1-2pm Issues

6/24 <u>Cyber - Evolution, Exposures,</u>

8-11am <u>Incidents & Insurance</u>

6/24 <u>Homeowners in Real Life: Tales of</u>

12-3pm Claims & Coverage



IIABL EVENTS

Save the Date!

<u>IIABL Virtual Spring Conference Part 3</u>
 June 16, 2021 - 9:30 - 10:30 am

<u>Louisiana & Mississippi Young Agents</u>
 <u>Conference</u>
 August 20-22, 2021
 Biloxi, MS



OTHER EDUCATIONAL RESOURCES



A comprehensive solution to finding and recruiting new talent, then onboarding them with ease.



Three Dimensional Training is a holistic approach to insurance education. The unique program integrates adult learning techniques and client-focused strategies while positioning the agency to reduce E&O exposures.



The Big "I" VU is the smarter way to build your knowledge base through online education and research with more than 18,000 pages to help you find answers to touch insurance questions.



Learn more

Learn more



Learning solutions for agents - Insurance Coverage,

Business Skills Developments, Leadership.

Learn more

Learn more

3 hours to 24 hours of training for a wide range of learning experiences - Basic to Beyond. Take an intentional step forward and gain powerful knowledge.

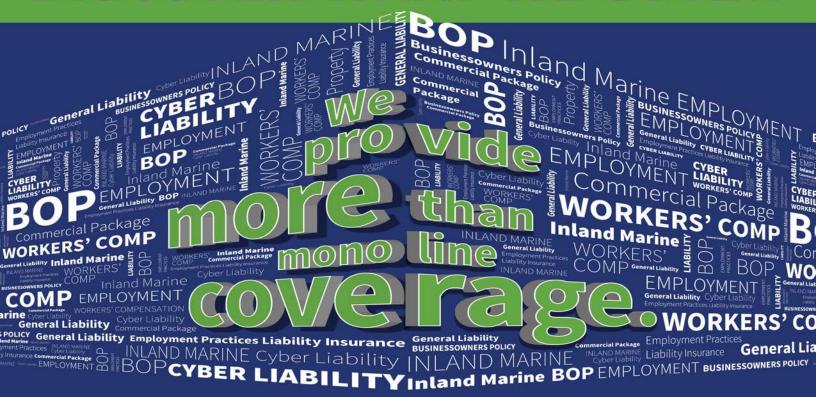








DISCOVER WHAT WE COVER





PAGE 47 LOUISIANAAGENT



GOLD LEVEL

AMWINS™







SILVER LEVEL





























BRONZE LEVEL

Accident Fund Insurance Company of America

Allied Trust Insurance Co.

Americas Insurance Co.

Berkshire Hathaway GUARD Insurance Companies

EMC Insurance Companies

FCCI Insurance Group

Foremost Insurance Group

Forest Insurance Facilities

Gulf States Insurance Company

Homebuilders SIF

Iroquois South, Inc.

Lane & Associates, Inc.

LCTA Risk Services

LUBA Workers' Comp

Maison Insurance Company

National General Insurance

RPS/Risk Placement Services

Summit Consulting, Inc.

Wright Flood

ADVERTISER INDEX

COMPANY PAGE

Access Home Insurance	8
Accident Fund Insurance Company of America	
Agile Premium Finance	16
Allied Trust Insurance Company	40
Americas Insurance Company	42
Amerisafe	43
AmTrust North America	46
AmWINS Access Home Insurance Company	2
Berkshire Hathaway GUARD Insurance Company	19
Burns & Wilcox Ltd.	29
EMC Insurance	17
FCCI Insurance Group	32
Foremost Insurance Group	40
Forest Insurance Facilities	38
The Gray Insurance Company	22
Gulf States Insurance Company	48
Homebuilders Self Insurers Fund	20
Imperial PFS	5
Iroquois	27
Lane & Associates, Inc.	10
LCI Workers' Comp	29
LCTA Risk Services	19
Liberty Mutual Insurance / Safeco Insurance	46
Lighthouse Property Insurance Group	23
LUBA	30
LWCC	12
Maison Insurance	14
National General	21
Progressive	41
RISCOM	24
RPS/Risk Placement Services	20
SafePoint Insurance	37
Stonetrust	11
Summit	26
United Fire Group	22
UPC Insurance	9
Wright Flood	48





- Proven claims service nationwide
- Technology designed for ease of use, accuracy, and NFIP compliance
- Personalized customer service to meet your needs online via chat or by phone (8:00 a.m. – 8:00p.m. EST)
- Training, sales, and marketing support to grow your business
- Excess flood coverage options to insure up to replacement cost*

*Subject to underwriting guidelines



2019 Wright Flood*. All rights reserved.



PAGE 49 LOUISIANA AGENT

IIABL 2020-2021

BOARD OF DIRECTORS & OFFICERS

PRESIDENT, BRENDA CASE Lowry-Dunham, Case & Vivien - Slidell

PRESIDENT-ELECT, DONELSON P. STIEL David H. Stiel, Jr. Agency - Franklin

SECRETARY-TREASURER, MIKE SCRIBER Scriber Insurance - Ruston

NATIONAL DIRECTOR, JOHNNY BECKMANN, III Assured Partners - Metairie

PAST PRESIDENT, JOEY O'CONNOR, III The O'Connor Insurance Group - Metairie

YOUNG AGENT REPRESENTATIVE, BRITTNI LAGARDE Southern Insurance Agency - New Orleans

ANN BODKIN-SMITH Thomson Smith & Leach Ins - Lafayette

MATTHEW DEBLANC Continental Insurance Services - Marrero

ROB EPPERS Risk Services of Louisiana - Shreveport

MATT GRAHAM Lincoln Agency - Ruston

CHRIS S. HAIK Haik Insurance Holdings - Lafayette

STUART HARRIS McClure, Bomar & Harris - Shreveport

ROSS HENRY Henry Insurance Service - Baton Rouge

BRET HUGHES Hughes Insurance Services - Gonzales

HARRY B. KELLEHER, III Harry Kelleher & Co - Harahan

PHILIP "PHE" MCMAHON Paul's Agency - Morgan City

LYDIA MCMORRIS Alliant Insurance Services - Baton Rouge

EUGENE MONTGOMERY Community Financial Ins Center - Monroe

JOE KING MONTGOMERY Thomas & Farr Agency - Monroe

ROBBY MOSS, IV Hartwig Moss Insurance - New Orleans

PAUL OWEN John Hendry Insurance - Zachary

MARTIN "TEENY" PERRET Quality Plus - Lafayette

ROBERT RIVIERE Riviere Insurance Agency - Thibodaux

ARMOND SCHWING Schwing Insurance Agency - New Iberia