

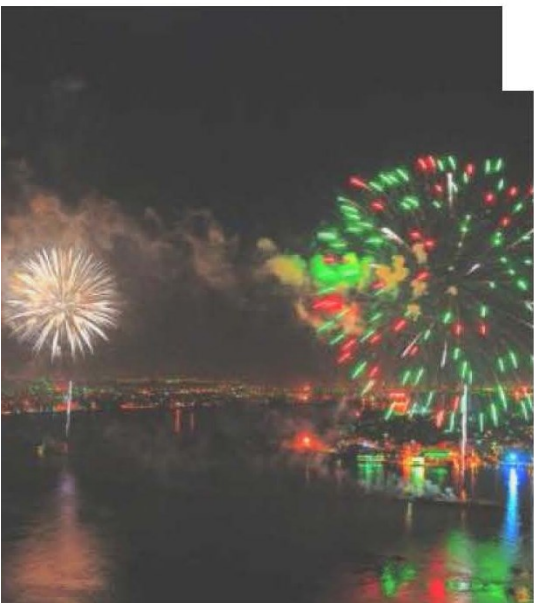
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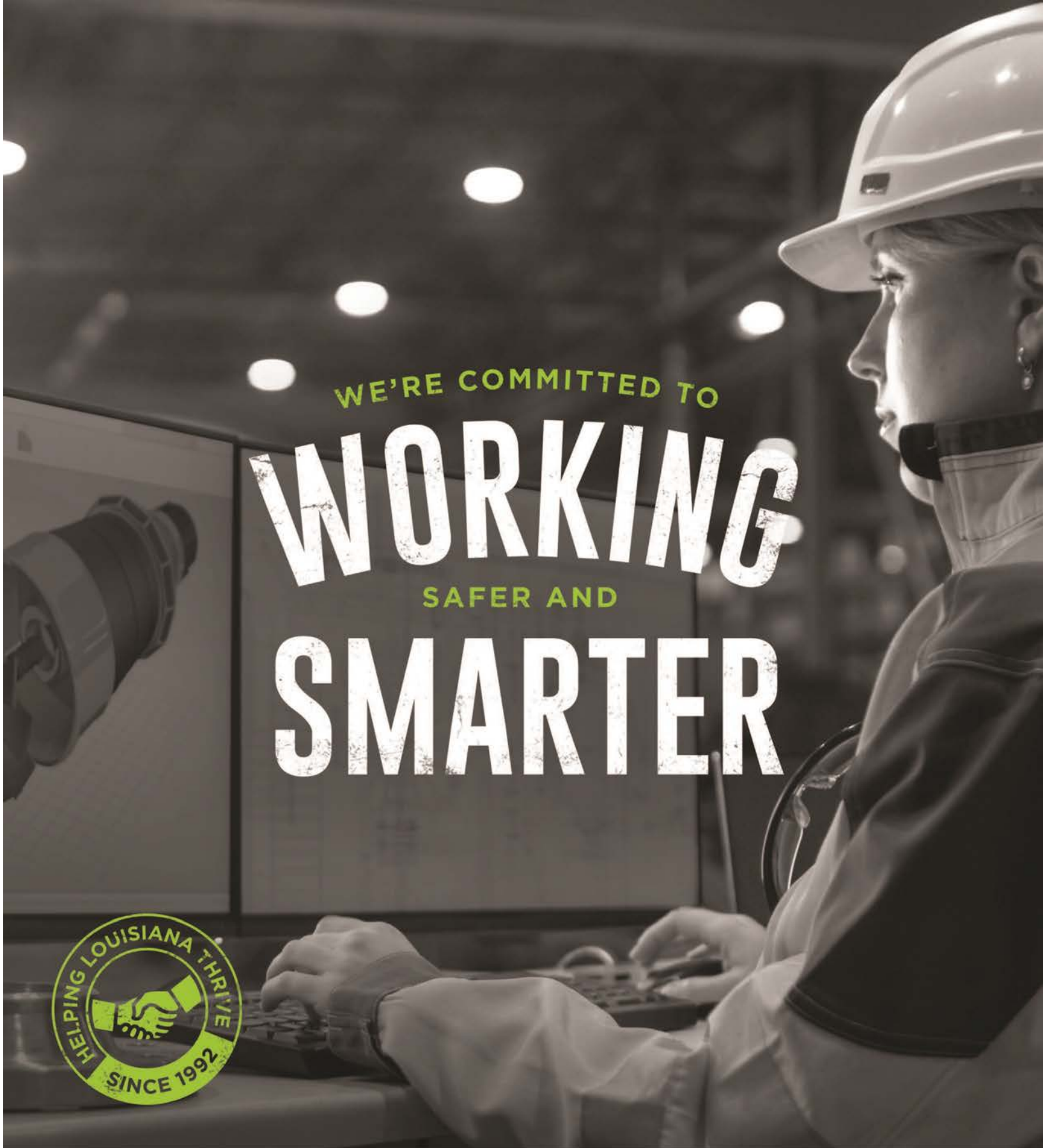
## JULY 2019

*A publication of the Independent Insurance  
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How Workers' Comp is Supposed to Work



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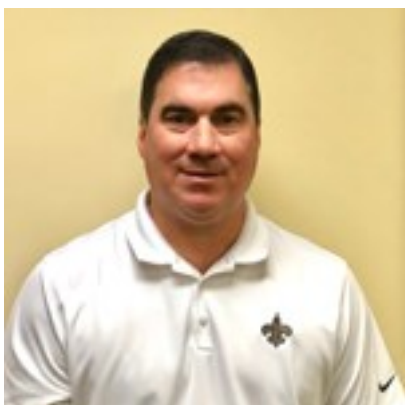
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## Message from your new IIABL President

### Joey O'Connor, CIC



**Joey O'Connor**

IIABL President 2019—2020

First, thanks to God, without his blessing, none of this would be possible.

My journey with IIABL started back in the Spring of 2003. Then incoming President

Wayne Cunningham picked up the phone and wanted to know if I would be interested in serving as Young Agent Committee Chair for Louisiana. I obviously said yes. His great **advice was: just don't get carried away.**

From there, I was proud to be the State Young Agents Chair and serve with other great Young Agent Committee members, the awesome staff at IIABL along with Jeff Albright. With our **friends and counter parts from Mississippi's Big I** Association, the First Annual Young Agents Conference between Louisiana and Mississippi was born. Today, that conference is still going strong.

From there I kept being involved anywhere and everywhere I could on the National and State level including serving as the national Young Agents Chair and serving on the Best Practices and Invest Committees.

After several years I received the call to join the IIABL Board of Directors, where I have served for the last 11 years and now have the

opportunity to serve as your IIABL President. It is not lost upon me, if you look at all of the Past Presidents who were such the great leaders that came before me. Each of them had a profound effect on me and encouraged me to stay engaged in the association.

I formed many cherished friendships with them and know that if I called on them, they would be willing to listen and help if I needed it. It is truly an awesome association family **to be part of. I've tried to repay them by** doing my best always on the board and serving with the same honor and dignity that they did.

As President of IIABL, I want to represent our member agencies, agents, companies, brokers and consumers every day to help better the insurance environment and stay on the cutting edge with products that will help our members become better and more efficient at what they do.

One of the main initiatives this year will be to stay very engaged and involved at the grassroots level on our auto/tort reform **initiative. We need everyone's help to see** that through. It will involve talking with our clients, our company and broker partners and our legislators constantly. It was not miscalculated the heavy lift this would be as proved this year in the legislature. However, I think for the first year, we exceeded expectations, and now have many legislators **and business association's attention after the**

2020 will be the most important legislative session for insurance probably since the WC **fall out in late 80's and early 90's but the** process will start this fall with the elections for the state representatives and senators. We need to elect pro-reform minded candidates and support them fully during the election cycle. This is currently the most important ammunition we have in our arsenal. We need to increase the number of pro-reform members in the House and flip the Senate with reform minded members. With term limits, now is the time.

Associations to help deliver real technology solutions for our agents to help them be more efficient in their agencies and to meet the changing demands of consumers.

IIABL launched a market access program for small agencies, Independent Market Solutions, a couple of years ago in partnership with the North Carolina and **Florida associations. It started very slow...** however, today there are 13 Big I state associations are part of the Independent Market Solutions. This is HUGE progress in our endeavor to meet the #1 need of our small agents to have access to more markets. Stay tuned and engaged.

Learn More Today ►

# 10 Tips for New Insurance Agents

It's easy to get lost in the excitement of a new profession. These ten tips will help steer new agents and brokers towards success.

The insurance industry is ever-changing. With the average age of insurance agents being around 60 years old, it is important for our industry to recruit new talent. Whether you are a recent licensed agent or agency owner who is working to groom our industry's next generation of agents, follow these ten tips to guarantee success for those who are new in our profession.

## 1. Dress for success

First impressions matter, and in the insurance business, you are selling trust. By dressing for success, your clients will likely take you more seriously and have more confidence in you. Dress for the job you want, not always the job you have.



## 2. Find a mentor

A mentorship program can be [beneficial to both a new and veteran agent](#). New agents are able to learn the industry, viable sales techniques and more from a veteran leader, while gaining valuable leadership skills and building confidence. With technology shaping our industry, new agents can influence veterans of the business to adapt while embracing this shift.

## 3. Use your resources

What resources does your agency have available? What are your differentiators? Perhaps you work alongside niche producers you can bring in on accounts to better serve your clients. Do you have a fellow agent who is experienced on reading policies and doing coverage reviews? Do you have a risk manage-

ment, marketing or other essential departments you can tap into?

## 4. Build a rapport

Building a rapport with your clients and prospects is critical in this business. Get to know your clients on both a professional and personal level. Set yourself apart from your competitors by remembering the little things, relating to them and reaching out throughout

**the year ... not just when it's renewal time.** Just as equally important — build a rapport with your peers. This will aid in building trust with your co-workers, and the rewards will pay off when they want to refer business, bring a producer in on an account or more.

## 5. Market yourself

The insurance industry is extremely competitive. Other agents often have access to the same products and services you do, [so be sure to set yourself apart](#). Brand yourself. How you carry yourself, speak, your demeanor, punctuality and more help build your brand. Additionally, with resources like LinkedIn, differentiate yourself by utilizing your resources and posting educational content. You will be viewed as a true insurance professional and also be at the forefront of **your client's mind by creating multiple touch-points throughout the year. Don't forget, too,** a handwritten note still goes a long way.

## 6. Transparency is key

There is nothing more persuasive than transparency. Be sure to be clear, concise and transparent when providing a quote, going over coverages, reviewing potential risks and



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more. Clients need be presented all the information so they can make an informed decision. It is critical to be transparent with your employer and peers, as well, in order to effectively achieve your short- and long-term career goals.

**7. Don't talk the talk**

As a new agent, don't be so quick to exhibit your new found knowledge of the industry by using insurance jargon and lingo. You may come across as too eager, and often times, potential clients may not fully understand what you are trying to convey or sell to them. By avoiding the terminology, you are more likely to relate to your clients as you work to find them the best possible solution for their insurance needs.

**8. Listen**

Epictetus said, "We have two ears and one mouth so that we can listen twice as much as we speak." Listen to your clients. Know

when to speak — and when to listen. You may discover additional opportunities for account rounding or more! Also, listen to those who have been in the business and learn from their experience.

**9. Dial for dollars**

Set aside an hour each week to "dial for dollars" and [increase your prospect list](#). In order to make your time effective, take a few minutes beforehand to strategize. Develop a call list and briefly research those companies/clients you will be reaching out to. This will allow your full hour to be spent actually prospecting rather than wasting your time looking up who to call, phone numbers and more.

**10. The price of success is hard work**  
It takes an average of eight attempts to reach a prospect. It can take weeks, months and even years to land an account. Don't give up. Continue to brush up on your industry knowledge, new products and services.





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As Greg Reid said, "A dream written down with a date becomes a goal. A goal broken down into steps becomes a plan. A plan backed by action makes **your dreams come true.**"

*As CEO of Acentira Insurance, Kendall McEachern brings more than 30 years of industry expertise to the Destin, Florida-based agency.*

Source: PropertyCasualty 360°

## Deleting a Car and Cancelling a Homeowners' Policy

Author: [David Thompson](#)

I recently had dinner with Rita Miller of Vero Insurance. (*Name used with permission.*) Rita and I have been friends for more decades than we care to discuss, and in addition to being an "insurance nerd" she's a pretty good golfer. In fact, she won the club championship tournament for the senior division at Vero Beach Country Club recently. (Rita would prefer to drop the senior part!) We had dinner at the club enjoying a light meal and music played on a grand piano by a local musician. With a nice meal and music, the conversation naturally turned (of course) to insurance!

Rita said to me, "I have to educate people (staff and customers) that if you sell a car or house you don't delete the car that day or cancel the homeowners policy that day; you do it the next day. I've never heard you talk about that in a class." My reply was, "You need to attend even more of my classes because I routinely discuss this!"



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Remember that if you remove an automobile from a policy or cancel a homeowners policy, that is effective at 12:01 a.m. In other words, one minute after midnight. So if the customer called you at 4:00 p.m. on Tuesday saying they just sold the car, and the automobile was removed that day; coverage ceased 16 hours earlier.

In one case I am familiar with, the customer was going to make a vehicle change. About 9:00 a.m. the car dealer called the agency saying, "Mr. Smith is trading in his Honda for a Toyota so please make the change." The agency staff made that change upon the request of the dealer. (That's the subject of another article maybe!) Never take policy changes from anyone other than the insured.) The vehicle was removed that day, remember effective just after midnight. In the category of "you can't make it up," after lunch, the customer was driving to the dealer and was involved in an accident. A literal reading of the policy says that the loss is not covered because the vehicle is no longer a "your covered auto" under the policy. Amazingly, the insurer initially denied coverage. It took a call to the claims manager who

agreed that while the policy technically did support a claim denial, the loss would be paid. (Kudos to the claims manager!) The agency staff member should have consulted with the customer and made the change effective the next day. Under the standard ISO personal auto policy (read yours, they all differ) a replacement auto is covered for 14 days for the broadest coverage of any auto on the policy. Even if no auto on the policy has physical damage coverage, that coverage is provided for four days subject to a \$500 deductible.

Turning to the standard ISO homeowners policy, suppose the customer called at 4:00 p.m. saying, "I just left a real estate closing and we sold our house effective today. It's final so please cancel my policy effective today. We are moving tomorrow." The same concept applies here too; don't cancel the policy effective that day. The earliest you cancel the policy is the next day. There is, however, a better answer to the question of when a homeowners policy should be canceled: cancel the policy the day after the customer obtains a replacement homeowners policy. No one should ever go even one day

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without being covered under some type homeowners (HO-3, HO-4, HO-6) policy.

For example, assume the customer said they sold the house and they were all moving from Vero Beach to Jacksonville, and would stay in a hotel for a week while they looked for an apartment to rent. Some might argue "no insurable interest if you keep the HO-3 on the Vero Beach house in effect." Certainly, there is no insurable interest in the dwelling itself, but the customer still needs coverage for their contents as well as liability. The HO-3 should be cancelled the day after the customer obtains an HO-4. There have been several instances of agents telling me that the underwriter wanted the customer to sign the "LPR" to cancel the HO-3 policy the date after closing. In one case when the agent explained the situation and said they would have the customer sign the LPR in a few weeks the underwriter went so far as to say, "We will send direct notice of cancellation today then." Well, that's fine, because under Florida statutes (other states differ) the insurer owes a 120-day notice of cancellation in this situation (45 days in surplus lines) to cancel a homeowners policy

that has been in effect for more than 90 days. So, even with a notice of cancellation sent, coverage typically remains in effect for long enough for a replacement policy to be obtained.

One final point: removing an automobile or cancelling any policy should be confirmed in writing with the customer. That could be via a signed request by the customer or an email exchange back and forth stating that ownership has been transferred.

So, there you have it; the information that Rita uses to educate her staff, customers, and at times an underwriter! A nice dinner, relaxing piano music, and discussion about insurance; **it's tough to beat that...unless dinner had been BBQ!**



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# How Insurtech Is Powering the Claims Advocacy Movement

Technology changes the game by easing the burden of record keeping and tilting the workers' compensation case management

Insurtech, an umbrella term that refers to everything from wearable safety technology to software and the Internet of Things (IoT), **is driving innovation across the workers' compensation sector.**

**As the workers' comp industry pivots toward an advocacy-based claims model, certain methods have emerged to pay more than lip service to the concept.**

## Creating a Hub for Care

Genex introduced its Unity platform earlier this year, which is described as an "intelligent

**hub for managed care operations."**

In a conversation with *Risk & Insurance®*, Helen Froehlich, VP of case management at Genex, explained that the impetus for Unity was primarily to help reduce the administrative tasks that limit the amount of effort adjusters can spend on injured workers' concerns.

**"There's an intensifying burden for adjusters and case managers in the modern claims environment," she said.**

**"We're devoted to reducing any consistent barriers that we can identify through data analytics and we felt the industry would benefit from a more sophisticated managed**



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care platform. Unity evolved from that.” One of Unity’s primary features is its mobile app, which case managers can use to update everyone involved in the claim.

“Compared to when I started as a case manager and used hotel pay phones to check my messages, nowadays even a few hours is a significant delay for the processing of information,” Froehlich said.

“The mobile app gives case managers an easy way to send their information quickly, reduce their administrative tasks, and thus, spend more time on the injured worker and addressing their concerns through the claimant-centric model. That improves care and reduces spend on files,” she said.

Further, Unity streamlines appointments and uses artificial intelligence (AI) to determine which case managers are best equipped to handle a particular claim through their propri-

etary assignment algorithm.

“When we designed our algorithm, we wanted to take the opportunity to not only assign the right case manager to the right referral at the right time, we also wanted to use additional technology to take into account case manager calendar availability, jurisdictional rules, customer preferences which supercede our methods, and continuity of care — which is whether the case manager has had this case previously over the last twelve months,” Froehlich said.

“Within seconds, our algorithm uses these factors to come up with a pool of appropriate case managers and sets the appointment.”

### Utilizing AI and Data

Newer companies are also making their mark by utilizing AI and data analytics to ease injured workers through the treat-



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ment process. ChronWell, which launched in 2017, offers Recovry and Recovry Central — two platforms that they say take early intervention to the next level.

**"If you look at the workers' comp market, the costs for workers' comp are much higher than for group health,"** ChronWell CEO Joe Rubinsztain said.

**"Coming from a group health background, our team decided to dive into why.**

**"We found that there are two really big reasons: One is that there is very little attention paid to the injured worker at the moment of the injury, the attention usually starts at the moment of the claim. And once there's a claim, it's an administrative process with a heavy dose of intermediation and very little human element,"** he said.

**"The mix between no early intervention and process-centric intermediation is our**

**theory as to why comp is so expensive."**

To solve that problem, Rubinsztain and his team created the Recovry platform to start at the moment of injury.

**"Something like ODG can tell you what the best practices are for a particular injury, what it can't take into account is other factors like, anxiety, living below the poverty line, or if this person has had multiple claims,"** he explained. **Using ChronWell's system, should an injury happen onsite, the injured worker would communicate that to their manager, who has access to Recovry Central, to record the incident. Recovry Central then uses AI to build a profile and care plan for the injured worker based on the information that is fed through it.**

**"Once we have a plan, which is typically immediate, we reach out to the injured worker via text, download, or phone call if they aren't**



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adept at technology," Rubinsztain explained.

**"The Recovry app can start filling out reports, sending text messages to the injured worker, and adjusting the care plan as we move forward."**

According to Rubinsztain, less than five percent of employees were resistant to Recovry in the company's pilot program, and they saw an impressive drop in attorney involvement.

**"The main reason people reach out to attorneys is because they feel that they have either no one to talk to, or that they're lost," he said.**

**"If you're there from the moment of the injury and you make the claims processing information transparent, you can keep the injured worker happy. Our pilot showed**

**about a 38 percent reduction in attorney involvement."**

Joe warned against the trend of using AI as a marketing stunt, asserting that though ChronWell uses a three-layer system of AI in its triage (predictive, prescriptive, and visionary) only about 15 to 20 percent of the solution is AI.

**"It's one ingredient in the salad," he said. "Outcomes have to be first."**

Nina Luckman is a business journalist based in New Orleans, focusing primarily on the workers' compensation industry. Her credentials include a B.A. and M.A. from Tulane University, both in the study of English Literature. Over the last several years, Nina has served as Editor of Louisiana Comp Blog, a news site she started in 2014 under the auspices of a group self-insurance fund. Louisiana Comp Blog won the WorkersCompensation.com Best Blogs award in 2016, 2017, and 2018. She can be reached at [riskletters@lrp.com](mailto:riskletters@lrp.com).

*Continued page 16*



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## 5 Natural Disaster Prep Tips to Protect Your Pets

During recent floods in the Midwest, Reuters reported that hundreds of pets were lost or imperiled by floodwaters. In light of this, the [National Association of Insurance Commissioners \(NAIC\)](#) has put forth information for pet owners to prepare for the hazards of flooding and protect their furry family members.

"It's a tragedy we've seen too many times: pets stuck in shelters, or worse, because their owners had no place to take them, or homeowners who feel trapped in a dangerous home because

they don't know where to take their pets," Eric Cioppa, NAIC president and superintendent of the Maine Bureau of Insurance, said in a statement.

"We want folks to remember that there are places you can take your pet, and that it's important to plan ahead and be ready for the worst."



1) Keep your flood insurance policy in a safe place. A flood insurance policy can ensure your pets have a safe place to come home to. Flood insurance policies are available through the Na-



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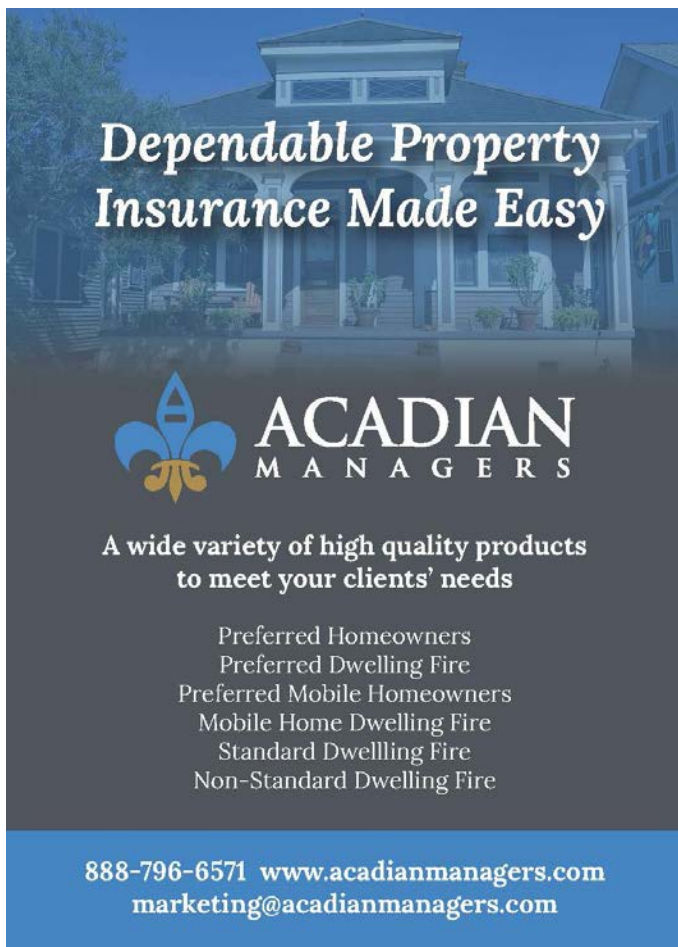
- 2) Have bottled water on hand. Flood waters **aren't safe to drink, even for animals.** Store a gallon of fresh water for each pet.
- 3) Know where to evacuate. Many shelters **won't accept pets. Keep a list of pet-friendly hotels or facilities that provide pet boarding, and make sure you can meet any requirements (like providing vet records).**
- 4) Have a carry-crate ready to go. Make sure no matter where you go, your pet has convenient transport and a safe retreat.

- 5) Keep an emergency kit for your pet. Include food, necessary medications, vet records and identification tag.


Source: PropertyCasualty360°

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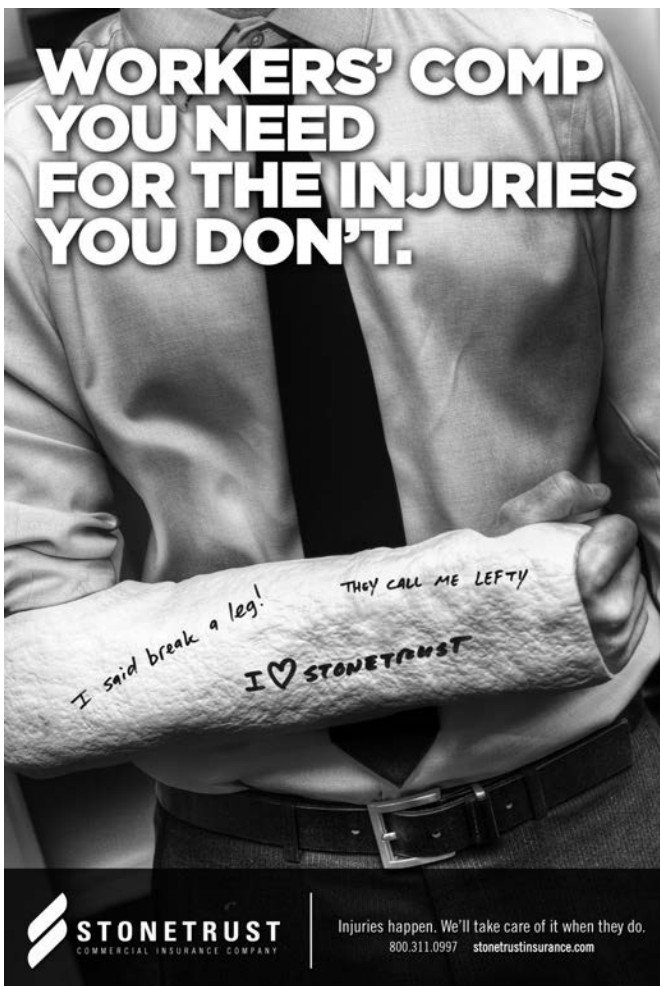
## How to Explain Coinsurance to Clients

Although most commercial property policies provide examples of *how* coinsurance works (e.g., check out the Additional Conditions – Coinsurance in the ISO CP 00 10 – Building and Personal Property Coverage Form), why policies have such a clause is a mystery to **most insureds...and many agents. So, let's look at the purpose behind coinsurance...**

According to research done by the late John Eubank, CPCU, ARM, the coinsurance condition was introduced as a 'standard' clause by the Louisville Board of Fire Underwriters in 1885 for pork and tobacco risks and was expanded to other property in

1890. However, individual insurer use of this condition dates back to at least 1877 (Continental Insurance Company), if not earlier.

Coinsurance is a contractual requirement that the insured carry agreed upon insurance-to-value, as specified by a percentage (usually 80%, 90% or 100%) entry on the Declarations page. If, at the time of loss, the limit of insurance is less than the value of the property times the coinsurance percentage, the insured will

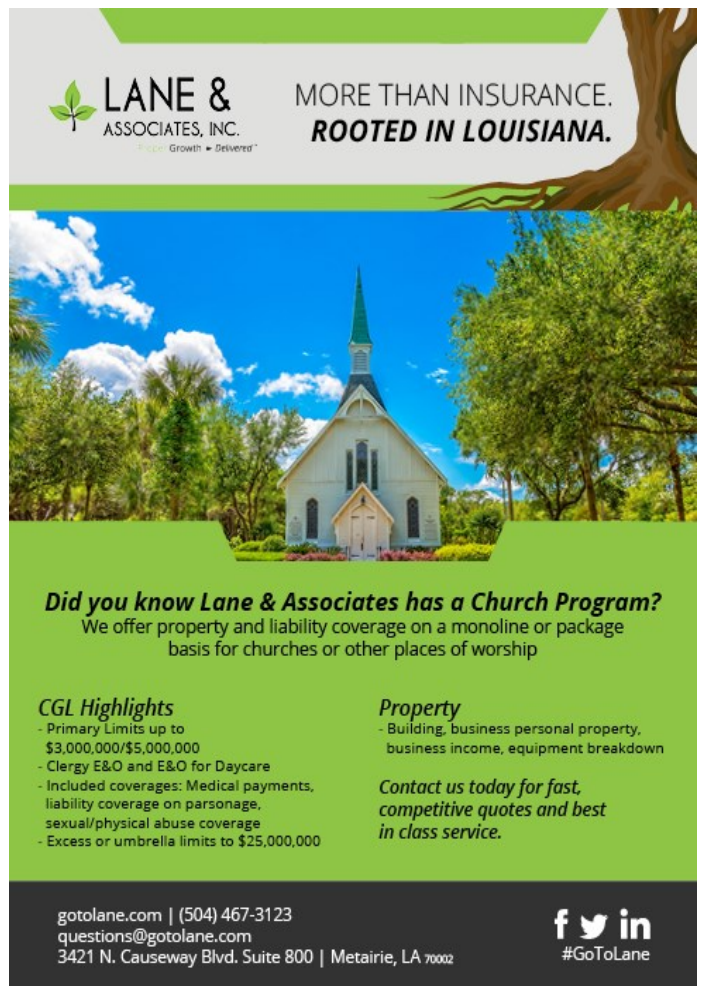


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become a “co-insurer,” along with the insurance company, when a loss occurs. The purpose of coinsurance is not to *punish* an insured for carrying inadequate insurance-to-value, but rather to provide a financial *incentive* that:

- (1) encourages them to carry adequate limits in the event of major losses, and
- (2) rewards them (in many instances) with a significant premium reduction for doing so.

Why do insureds need an incentive to carry limits of insurance approaching the value of **their property? Simple...because, in the aggregate, most losses are partial and don't** result in a total, or even substantial, loss. Without a financial incentive, insureds who are not risk averse might be inclined to purchase relatively small limits of insurance. Since that inclination depends, in part, on the structure and occupancy of the building, the amount of the incentive is largely determined by those factors.

To illustrate, according to one estimate, less than 2% of fire losses are total, and 86% of fire losses result in damages of 20% or less of the building value. That is, if a building is **worth \$500,000 and a fire occurs (which isn't** that likely to begin with), there is an 86% chance that the damage will be \$100,000 or less. So, if the insured is a risk taker, why not insure the building for \$100,000 or less? Of

course, the statistics above are just for **the peril of fire...if you add windstorm and** other potentially catastrophic perils, the numbers may change.

These numbers are averages. Statistically, a reinforced concrete office building is MUCH less likely to experience a major loss than a wood frame woodworking shop. So, the owner of the office building could be less inclined to carry full insurance to value because the probability of a serious loss is virtually nil. On the other hand, the owner of the woodworking shop is much more likely to insure to value because it is easy to visualize a major loss occurring.

Coininsurance provides an incentive for adequate insurance-to-value by providing a rate credit for carrying relatively high **limits to value...the credit is much larger** for the fire-resistive office building because the owner needs a larger incentive and the rate credit reflects the lower probability of loss. For example, look at the calculations on the table on the next page.

Building	Const.	Value	Gross Rate	80% Rate	Gross Prem.	80% Prem.
Offices	Fire Res.	\$500,000	0.64	0.18	\$3,000	\$900
Wood-worker	Wood	\$500,000	3.74	3.37	\$18,700	\$16,850

The gross rates and premiums are the rates and premiums that would be charged if coverage was written without a coinsurance requirement. The 80% rates and premiums are those that apply when the insured contractually agrees to carry a limit of at least 80% of the value of the property at the time of loss. Note that the woodworker gets only a 10% credit from the gross (no coinsurance) premium, while the office building gets a 70% credit.

What if the owner of the fire-resistive building heard that there was only a 14% chance that a fire loss would cause damages in excess of 20% of the value of the building...wouldn't he/she only buy \$20,000 of insurance? No, because he/she couldn't pass up the bargain, as shown below (and we all know that most insurers wouldn't let him anyway :-):

Office Building Policy Limit	Gross Rate	80% Rate	100% Rate	Premium
\$100,000	0.60			\$600
\$400,000		0.18		\$720
\$500,000			0.15	\$750

As you can see, if the insured elected to buy only \$20,000 coverage rather than \$80,000, he/she would experience a premium reduction of less than 17% while reducing the coverage amount by 75%. Conversely, for 25% in additional premium, the insured can increase his/her coverage by 300%!

Thus, coinsurance provides an incentive to purchase higher insurance to value than some (perhaps many) insureds would be inclined to do otherwise. In doing so, insureds can save significant amounts and they have the assurance that, in the unlikely event that they *do* have a major loss, **they're covered...IF they insured to value in accordance with the coinsurance provision.**

Author: Bill Wilson, CPCU, ARM, AIM, AAM

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IdealTraits to help small to large insurance agencies hire the best. You can post jobs, receive candidates, send assessments and identify the right recruit.

Find your next top employee at [BigIHires.com](http://BigIHires.com)!

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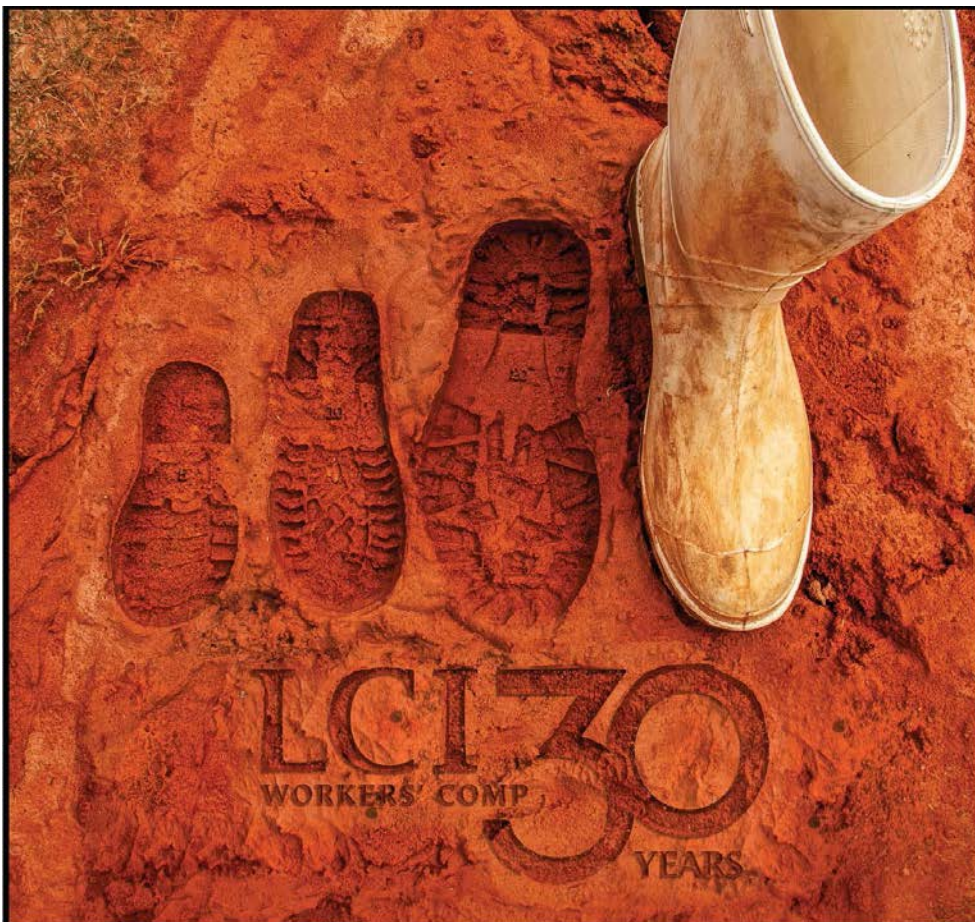
course:

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  - d) Intro to Risk Management
  - e) Intro to Risk Transfer and Policy Design
  - f) Intro to Underwriting and Pricing Principles
  - g) Intro to C.O.P.E.
- 2) Commercial Lines Coverage Basics curriculum addresses key insurance topics, core coverages and risk management. This curriculum is an ideal learning experience for new staff (sales, service, underwriting or administrative) and includes 'knowledge checkpoints' to support concept acquisition and retention. The Commercial Coverage Challenge is also included in this series.
- 3) Personal Lines Coverage Basics curriculum addresses key insurance topics and

core coverages. The curriculum includes 'knowledge checkpoints' to ensure the acquisition and retention of key concepts.

4) Commercial and Personal Lines Coverage Basics curriculum offers both coverage curriculums and the Commercial **Coverage Challenge™** at a significant pricing discount. It includes all Introduction to Insurance, Commercial Insurance and Personal Insurance professionally-designed courses. Commercial and Personal Coverage Challenges are also included!

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negotiating abilities. This bundle includes modules on elevating negotiation skills, building credibility with clients, delivering powerful messaging on professional relationships and developing and strengthening an elevator pitch.

6) **Business Communication Fundamentals.** Effective business communication is imperative for all employees. This bundle is a great foundational series including essential elements of business writing, verbal communication and time management.

7) **Client Management Essentials.** Today's demanding clients require the account management team to anticipate client needs, adapt communication style, balance priorities and manage conflict. This course bundle includes modules to introduce communication styles and how to create a positive impression.

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8) **Emerging Leader's Series** is the ideal training series for new team leaders, supervisors or managers. It contains online modules on how to attract and recruit new talent, **HR Essentials™** such as Human Resources Risk Management for your Firm, Employee Retention, Performance Management and Effective Coaching Techniques for Leaders.

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The Law of Insurance Contracts and the 'Rules' of Policy Interpretation. (3 hours)

Torts, Negligence and Legal Liability (3 hours)

### BEYOND

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# IIABL EDUCATION & EVENTS CALENDAR

Webcasts			
<a href="#">E&amp;O Risk Management</a> Click above for schedule Available on Demand	<a href="#">Ethics</a> Click above for schedule Available on Demand	<a href="#">Flood</a> Click above for schedule Available on Demand	<a href="#">Commercial &amp; Personal Lines Courses</a> Click above for courses & dates for 2019
Listed are a few of the August webcast. For the <a href="#">2019 webcast calendar click here.</a> 8/8 12pm—2pm <a href="#">4 Key PL and CL Exposures</a>  8/16 10am—1pm <a href="#">Certificates of Insurance</a>	8/28 8am—11am <a href="#">Contractors, Contractors, Contractors</a> or <a href="#">The Agent &amp; The Machine: AI, Big Data &amp; Machine Learning</a>  8/28/ 1pm—3pm <a href="#">When Words Collide... Resolving Insurance Coverage &amp; Claims</a>	 <p>A New Agent Training Solution  <b>INTENTIONAL TRAINING</b>  to Prepare For <b>TOMORROW</b>  Pick &amp; Play Your Professional Bundle:  <b>Basic &amp; Beyond</b>  <a href="#">CLICK HERE TO GET STARTED!</a></p>	 <p><b>BIG i</b>  <b>HIRES.</b></p>
Seminars			
	E&O Risk Management  <a href="#">September 24 - Bossier City</a> <a href="#">September 25 - Lafayette</a> <a href="#">September 26 - Metairie</a> <a href="#">September 27 - Covington</a>		
Events			
Louisiana/Mississippi <a href="#">Young Agents Conference</a> August 8-11 Beau Rivage	<a href="#">IIABR August Luncheon</a>  August 8, 2019 Juban's Restaurant		
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## How to Help Prospects and Clients Access Their C.L.U.E. Report



I've been in the insurance industry for a very long time. For most of that time, I've understood the importance of the C.L.U.E. report for generating a final and bindable premium for a new homeowner or automobile policy.

I'm embarrassed to say that I didn't realize until recently that any consumer (not the agent) can order a copy of their C.L.U.E. report directly from LEXIS-NEXIS.

How To Access Your C.L.U.E. Report

The process is simple. The steps are:

Go to <https://personalreports.lexisnexis.com/>

1. At the very bottom of the page click on "Insurance Reports."
2. On the next page, under Order Options, select "Both Reports."
3. Click on "Order Now."
4. Follow the next steps to verify your identity. I had to go through the verification process a couple of times to be able to answer the verification questions correctly.

Once you complete the order process,

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you will receive a letter in the mail with your C.L.U.E. information.

**Many people don't recall claims they have had** in the past. This may result in quotes being understated and it also may result in underwriting **declinations. It's very important to have as** much information as possible when first engaging with a prospect as this will bring efficiency and a greater chance of successfully placing the account.

I recommend that you include this tip in your communication with your existing clients, as well as talk about it with potential prospects. It is simply another example of the service and advice you can provide as an independent agent, which no other direct-to-consumer website that I know of helps with.

Thanks to Joe Totah at [RiskLookUp](#) for finding this information.

What other tools are you using that help prospects better understand their insurance information?

Author: Steve Anderson  
Steve is one of the top technology consultants and speakers. You can contact Steve at [techtip@steveanderson.com](mailto:techtip@steveanderson.com)

## The Power and Performance of Older Workers or Why Hiring Older Workers is Good

*"In coming decades, many forces will shape our economy and our society, but in all likelihood, no single factor will have as pervasive an effect as the aging of our population."* – Ben Bernanke

When it comes to retirement, a significant cultural shift is well under way. More and more people are choosing to remain in the workforce beyond traditional retirement age. An entire demographic is reimagining retirement, and this change requires employers to simultaneously reshape their own notions about work, retirement and age in order to stay competitive.

A few fast facts:

- By 2024, one in four workers in the United States will be 55 or older. By comparison, in 1994, workers over the age of 55 accounted for about one in 10 workers. (US Department of Labor)
- In 1996, less than 46 percent of people age 60 to 64 were working. In 2016, that percentage grew to 56 percent. In **2026, it's expected to reach almost 60 percent.** (Bureau of Labor Statistics)
- **85 percent of today's baby boomers** plan to continue to work into their 70s and even 80s. (Special Committee on Aging)

At WAHVE, we believe in the power and performance of experienced workers. We make it easy for you to hire work-at-home vintage professionals who are matched to



the specific needs of your business. But if **you're like many employers, you might still be** wondering how hiring an older work-at-home employee can benefit you:

1) Retain valuable knowledge – This may be the most obvious benefit of hiring an older worker, whether they work remotely or not. **Retiring workers have a career's worth of institutional knowledge at their fingertips that can't be easily, quickly or inexpensively re-**placed. In addition to having the knowledge and skills required to perform the job itself, they have years of experiences that have taught them how to navigate difficult situations, solve problems on their own and effectively manage relationships with colleague and clients.

2) Fill the talent gap – As we discussed in [Can Remote Work Fill the Talent Shortage](#), there are more than 7 million job openings in

the United States, and not enough employees to fill them. **Employers often can't find the qualified workers that they need. To fill this gap, it's inevitable that employers will need to** consider hiring older remote workers. Employers benefit from their vast knowledge, while employees benefit from being able to stay employed and enjoy the work-life balance they desire.

3) Boost work ethic – According to an [article in Deloitte Insights](#), research shows that older workers are more likely to demonstrate **positive "organizational citizenship."** This means they are more likely to work hard, show up on time, help coworkers, and go the extra mile when needed.

4) Innovate – Innovation is an attribute usually reserved for younger workers, but [research suggests](#) that older workers can be just



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as creative and innovative as younger peers if given the chance. Additionally, creating a generationally diverse workforce can also spur innovation, as discussed in [Why Generational Diversity Is the Ultimate Competitive Advantage](#).

**There's no turning back. Our population is aging.** People are living longer and retiring later. And more people than ever are working from home. Older workers offer incredible value to employers who hire them. Are you ready to reap the benefits?

About the Author: Sharon Emek, Ph.D., CIC, is founder and CEO of Work At Home Vintage Experts (WAHVE). [WAHVE \(www.wahve.com\)](http://www.wahve.com) is an innovative contract talent solution that matches retiring, experienced career professionals with a company's talent needs. WAHVE bridges the gap between an employer's need for highly skilled professional talent and seasoned professionals desiring to extend their career working from home.



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# Get Smart: Why Insurers Need to Rethink Their Communication Strategies

*Helping consumer to help themselves not only employers them and strengthens the bond with the brand.*

With more businesses emerging across virtually every sector, maintaining a line of communication with consumers is more important than ever. It plays a key role in the consumer experience, and any degradation there is likely to push a consumer towards a competitor who will make them feel more valued.

Consumers today also expect a greater experience due to the digital transformation happening throughout most industries. Technology has placed more power in **consumers' hands, and businesses will need** to keep up or face irrelevance. To get a better understanding of what matters most to consumers when it comes to the communications they are receiving from

financial services, insurance and health care companies, and to compare their desires with what companies are currently delivering, [Smart Communications](#) conducted a survey of U.S. and U.K. customers of businesses in these industries.

When asked to identify the elements that were most important to them when determining the value of communication, the following elements rose to the top:

- Are easy to understand
- Are relevant
- Are error-free
- Are well designed and easy to read



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- Considers preferred methods of communication

With this in mind, here's how the insurance industry's communication efforts are regarded by some consumers.

### Preference matters

Insurers today have a range of options available to communicate with their existing and potential clients. Everything from emails to text messages to [chatbots is on the table](#), but each consumer has their own communication preferences.

When asked by Smart Communications to what extent do they feel the companies they are a customer of in the insurance industry [communicate with them using the method they prefer](#), 31% of survey respondents said "always", and 39% of respondents said "almost always".

The survey found that email is the preferred communications channel for consumers in both the U.S. and the U.K. However, 66% of business leaders say less than 40% of their communications are being distributed via email. Thirty-five percent of business leaders say are not distributing any communications via text messaging, but, when it comes to fraud alerts, two in five consumers want to receive these via text.

And while the majority of consumers surveyed feel that communications quality is staying the same — versus getting better or worse — business leaders are a bit more optimistic, with the biggest gap found in the insurance industry. Fifty-eight percent of insurance **business leaders say their company's** communications are improving, while only 26% of consumers agree.

### Time for action

Insurers looking to improve the communication

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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.



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Travelers P&C Delayed adoption	17—Other Liability CGL	+4.198%	\$959,132	1,810	New: 2/1/2020 Renewal: 2/1/2020
Hartford Casualty Ins Co Sentinel Insurance Co Hartford Accident & Indemnity Co Hartford Fire Ins Co	4—Homeowners Revised Rate & Rule	+5.1%	\$145,667	1,966	New: 10/19/2019 Renewal: 1/4/2020
Hanover American Ins Co Massachusetts Bay Ins Co Hanover Insurance Co	19—Private Passenger Auto	+5.6%	\$104,432	719	New: N/A Renewal: 9/30/2019
Privilege Underwriters Reciprocal Exchange	19—Private Passenger Auto	+4.2% +4.2%	\$260, 607 \$347,104	1,127 1,127	New: 12/7/2019 Renewal: 2/5/2020
State Farm Fire & Casualty Co	16—Workers Comp	-11.80%	-\$870,546.00	2,966	New: 8/1/2019 Renewal: 8/1/2019
Church Mutual Ins Co	19—Commercial Auto	+10.0%	\$299,635.00	641	New: 12/25/2019 Renewal: 12/25/2019
Centauri National Ins Co	1—Property Revised Rate & Rule	+5.0%	\$149,865	2,234	New: 11/1/2019 Renewal: 11/1/2019



quality should remember that doing so reflects **the fact that they respect their consumer's time** and preferences. For those unsure where to start, Smart Communications has outlined an action plan based on their survey findings.

Make error reduction a priority. As even minor errors can tarnish the brand image and **sow doubt in consumers' minds about the company's ability to meet their needs**, consider auditing all messaging templates, customer service/support scripts and other content that touches consumers. [Look for customer communications platforms](#) that integrate with other key systems, thus limiting opportunities for errors.

Offer — and honor — consumer preferences for communications channels and content. Customer communications is not a one-channel-fits-all proposition. Instead, ask customers which channels they prefer for the different kind of messages you send, whether account statements, billing notifications, appointment reminders, fraud/emergency alerts, etc.

Look for ways to make messages more helpful to consumers. Helping consumers to help themselves not only empowers them and [strengthens the bond with the brand](#), but it also can reduce the load on customer service centers. Review message templates for opportunities to add helpful content, such as suggesting the next steps or where to go to get more information.

Avoid complacency in the face of progress. The survey found that a small percentage of consumers (8% in the U.K. and 12% in the U.S.) say they would never switch from a company because of message quality. That leaves a very large base of customers who are being contacted regularly by the

competition, and it's not enough to hope they are happy [when that call comes](#). Remember that a digital transformation is a continuous evolution and not a journey with a finish line. Regularly evaluate your customer communications strategies, as well as your technology, to ensure you are keeping the customer at the center.

Consumer expectations have evolved over the years, and insurers must be prepared to evolve with them. Going forward, insurers will need to deliver on the exceptional experiences that customers expect or risk getting left behind.

***While the majority of consumer surveyed feel that communications quality is staying the same—versus getting better or worse—business leaders are a bit more optimistic, with the biggest gap found in the insurance industry.***

Source: PropertyCasualty360<sup>®</sup>

Author: Denny Jacob

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**IIABL/IIAM**  
**2019 YOUNG AGENTS CONFERENCE**  
**BEAU RIVAGE, BILOXI**  
**AUGUST 8—11, 2019**

This event is for all agency personnel (regardless of age) who are looking to expand their skills, network and share information with fellow agents.

Below is the tentative agenda for the conference:

Thursday, August 8	<b>Ryder Cup Golf at Fallen Oak Golf Course</b> Format is a 4 ball match play with 2-2 man teams.. Everyone teeing off and then teams will play best ball until the hole is completed.	12pm shotgun start
Friday, August 9	<b>Registration</b>  <b>CE Seminar—Fraud &amp; Consequences</b> Speaker: Jerome Mayne Approved for 3 hours ethics  <b>Welcome Reception</b>	12pm  1pm—4pm  6pm—7pm
Saturday, August 10	<b>Continental Breakfast</b>  <b>Roundtable Discussions</b> Approved for 3 hours CE  <b>Meet the Sponsors Luncheon</b>  <b>Cocktail Reception</b>	8:30am  9am—12pm  12pm—1pm  6pm—7pm

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