CURRENT REINSURANCE CONSIDERATIONS

We Energize the Power of Pooling

THINGS TO TALK ABOUT
1. RENEWALS
2. ALTERNATIVES
3. BROKER RELATIONSHIPS

RENEWALS

PROPERTY
July 17, 2019 Reinsurance News: Pricing could be up by as much as 25 – 35% with continued pricing support into 2020, unless substantial new capital becomes available in the market.  
July 17, 2019 Reinsurance News: Rates with prior losses were increased between 5% and 15%.

LIABILITY
July 15, 2019 Risk & Insurance: Liability is seeing plenty of rate and underwriting line weightings of at least single and high single.
July 15, 2019 Risk & Insurance: General liability rates increased 5% to 15% for accounts with losses and were flat to 5% up for accounts without losses.

WORKERS’ COMPENSATION
May 2019 Business Insurance Online Report: Workers’ compensation excess pricing remains stable, modest increases were seen due to hard market conditions.

HEALTH
Milliman White Paper May 2019: In 2018, loss ratios exceeded target. The most common reason was overestimation of loss ratios.

August 2019 CEU AND SENIOR STAFF INSTITUTE

CURRENT REINSURANCE CONSIDERATIONS

We Energize the Power of Pooling

THINGS TO TALK ABOUT
1. RENEWALS
2. ALTERNATIVES
3. BROKER RELATIONSHIPS

RENEWALS

PROPERTY
July 17, 2019 Reinsurance News: Pricing could be up by as much as 25 – 35% with continued pricing support into 2020, unless substantial new capital becomes available in the market.  
July 17, 2019 Reinsurance News: Rates with prior losses were increased between 5% and 15%.

LIABILITY
July 15, 2019 Risk & Insurance: Liability is seeing plenty of rate and underwriting line weightings of at least single and high single.
July 15, 2019 Risk & Insurance: General liability rates increased 5% to 15% for accounts with losses and were flat to 5% up for accounts without losses.

WORKERS’ COMPENSATION
May 2019 Business Insurance Online Report: Workers’ compensation excess pricing remains stable, modest increases were seen due to hard market conditions.

HEALTH
Milliman White Paper May 2019: In 2018, loss ratios exceeded target. The most common reason was overestimation of loss ratios.
ALTERNATIVES

INSURANCE LINKED SECURITIES
CAPTIVES
SIDECARS
CAT BONDS
PARAMETRIC

MOTIVATIONS

CONTROL
Cut the pool's risk management and risk transfer expenses. Help the pool achieve long-term financial goals.

COST
Improve the pool's risk retention capacity, maximize the value of risk that is transferred, or improve access to contingent capital.

CAPACITY
Address emerging risks on behalf of pool members, including exposures that haven't yet been evaluated through industry loss data.

CREATIVITY

BROKER RELATIONSHIPS

EVALUATION & COMPENSATION