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AM BEST'S MONTHLY INSURANCE MAGAZINE

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REMOTE ACCESS



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**Best's Review's
Online Archives**

Insurance leaders are learning that managing an off-site workforce takes an open mind and empathy.

The Leaders
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We're invested in the **people** behind the numbers.

$$E(C_{ij}) = f_j C_{ij}$$

$$E(Y|Z)^2$$

$$E(C_{ij+1} | C_{ij}) = f_j C_{ij}$$

$$\sqrt{E(d_{ij})}$$

$$\text{Var}(Y) = E(\text{Var}(Y|Z)) + E(E(Y|Z)^2) - (E(Y|Z))^2$$

$$F_{ij} = \frac{C_{ij+1}}{C_{ij}}$$

$$E(C_{ij+1} | C_{ij}) = f_j C_{ij}$$

$$\text{Var}(f_j) = \sigma_j^2 / \sum_i C_{ij}$$

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Leading Change

Insurance leaders discuss lessons learned from managing remote workforces. In the July issue, *Best's Review* also presents its annual ranking of the top global brokers and rankings of top insurers.

In mid-March, business leaders found themselves scrambling to adapt to a rapidly changing environment.

In the space of just a few days, many businesses began operating with remote workforces as concerns about the coronavirus began triggering lockdown orders across the country.

The sudden move to remote work put IT systems to the test and forced big changes in the day-to-day routines for many people. It also forced insurance leaders to rethink how best to manage their employees when nearly the entire staff is working from home.

It has been a year of major change and it's only half done. At the start of the second half of 2020, the insurance industry faces many unknowns.

Businesses have begun to reopen as the government-ordered lockdowns that had forced them to close for much of the spring began to relax. The focus for many now turns to how to open safely.

Civil unrest that had flared up in early June could further set back efforts to restart the economy. The Atlantic hurricane season, meanwhile, got off to an active start with three tropical storms in the first few days of June.

Still ahead: A U.S. presidential election and the possibility of a second wave of COVID-19.

If there have been many uncertainties this year, one thing is clear—leaders have had no shortage of management challenges.

In "Remote Access," *Best's Review* speaks with several industry CEOs about what they have learned managing remote workforces.

The July edition of *Best's Review* is known as our Leaders issue and in it, we present AM Best

data ranking top insurers across industry sectors. *Best's Review* also presents our ranking of the top global insurance brokers. July is Brokers and Agents Awareness Month. Find out how the brokers rank based on 2019 total revenue in "Top Global Insurance Brokers."

"Standing the Test of Time" provides a look at insurers that have maintained a Best's Financial Strength Rating of A or higher for at least 50 years and at least 75 years.

For the life insurance industry, the COVID-19 shutdowns also forced quick and dramatic change. In "Making the Jump," *Best's Review* examines the progress life insurers have made in accelerated underwriting and digital sales processes.

In this issue, *Best's Review* also provides coverage of an AM Best webinar, *AM Best Panel: COVID-19 Stress Testing Results and Next Steps*. The webinar was held in conjunction with the release of Best's Special Report, *Stress Testing Rated Companies for COVID-19*.

The pandemic has had an impact on many areas of the insurance industry and will force many insurers to reassess coverages and operations.

Watch for our upcoming "COVID-19: Insurance Industry Transformed" panel discussions. Top industry leaders will share their thoughts about the pandemic and its impact on the insurance industry in these discussions, which will air on ^{AM}BestTV beginning August 17, with in-depth coverage in the September issue of *Best's Review*.

Patricia Vowinkel
Executive Editor
patricia.vowinkel@ambest.com

The Question:

Will the pandemic bring about any long-lasting changes to the insurance industry?

Email your answer to bestreviewcomment@ambest.com.

Reader responses will be published in a future issue.



THE LEADERS

The *Best's Review* annual Leaders special section includes our ranking of the top global insurance brokers. We also asked four industry CEOs how the transition to a fully remote workforce has affected their day-to-day leadership style and which changes they intend to keep post-pandemic.

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Remote Access

Insurance CEOs are adjusting to leading a remote workforce. Along the way, they're learning about themselves, their people and what changes they want to continue when the global pandemic ends.

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Top Global Insurance Brokers

Acrisure LLC and EPIC Insurance Brokers and Consultants each jump two spots in ranking. China-based Fanhua makes a return.

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Standing the Test of Time

A 147-year-old property/casualty insurer joined the ranks of companies that have maintained a Best's Financial Strength Rating of A or higher for at least 75 years.

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Top 200

U.S. Property/Casualty Writers

Ranked by 2019 net premiums written.

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U.S. Life/Health Insurers

Ranked by 2019 admitted assets.

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Top 75 North American Public Insurers

Ranked by 2019 assets.

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World's Largest Insurance Companies

Based on 2018 net non-banking assets.

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Based on 2018 net premiums written.

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Top 25 U.S. Holding Companies, 2019

Ranked by assets and revenue.

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ISSUES & ANSWERS

Specialty Coverage

Insurers, MGAs, wholesale providers and others examine how they are creating new, focused offerings that directly address the risks of today and tomorrow.

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LIFE INSURANCE

Making the Jump

The realities of doing business during the global COVID-19 pandemic are forcing the notoriously slow-moving life insurance industry in many cases to leap into the digital age and make planned adjustments ahead of schedule.

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NAIC Summer Meeting to Be Three-Week Virtual Event

July 7-9: VIRTUAL. CLM Cyber Management & Professional Liability Conference, Claims and Litigation Management Alliance, a member of The Institutes.

July 13-15: VIRTUAL. America's Claims Executive (ACE) Leadership Forum & Expo.

July 21-23: VIRTUAL. NAMIC Agricultural Risk Inspection School, National Association of Mutual Insurance Companies.

Week of July 27 - Week of Aug. 10: VIRTUAL. NAIC Summer National Meeting. Specific dates and times will be available on naic.org no later than July 6.

July 28-30: VIRTUAL. 31st APCIA Annual Western Region General Counsel Conference, American Property Casualty Insurance Association.

July 29-Aug. 4: VIRTUAL. ABA Annual Meeting, "Convening for Justice," American Bar Association.

Aug. 3-5: VIRTUAL. 2020 Advanced Sales Forum, "20/20 Vision—Bringing Advanced Sales Into Focus," LIMRA.

Aug. 3-6: VIRTUAL. DMEC Annual Conference, Disability Management Employer Coalition.

Aug. 5-6: VIRTUAL. Supplemental Health, DI & LTC Conference, LIMRA/LOMA/SOA.

Aug. 11-13: VIRTUAL. VCIA Annual Conference, Vermont Captive Insurance Association.

All events subject to change as organizations monitor developments regarding COVID-19. For a full list of conferences and cancellations, visit www.bestreview.com/calendar

July Is Brokers and Agents Awareness Month

Best's Review has released its annual ranking of the top global insurance brokers. The rankings, which are based on total revenue, can be found on Page 47.



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Houston International Insurance Group Names CEO

Also: Topa names president and CEO, Maryland has new commissioner, Chubb names chief accounting officer and insurance industry loses two former leaders.

The Westaim Corp. and Houston International Insurance Group Ltd. have named Andrew Robinson to succeed Stephen L. Way as chief executive officer of HIIG.

Way, HIIG's founder, resigned as CEO and chairman of the board, but will continue to serve as a director of the company.

Robinson has more than 30 years of experience working globally in the insurance industry and in management and strategic consulting. He was with Hanover Insurance Group for 10 years, most recently as president of specialty insurance, executive vice president of corporate development and chief risk officer, and subsequently at Crawford & Co., where he was global chief operating officer and executive vice president.

While at Hanover, his responsibilities included all aspects of the company's U.S. specialty businesses,



Andrew Robinson

including profit and loss and strategic and operational oversight. He also was responsible for acquisitions, divestitures, business integration, and enterprise risk management for the broader enterprise. Prior to his time at Hanover, he was managing partner of global insurance at Diamond (now PwC) Consulting, and most recently as executive in residence and senior adviser at Oak HC/FT.

Westaim describes itself as a Canadian investment company specializing in providing long-term capital to businesses operating primarily within the global financial services industry. HIIG is an insurance holding company formed in 2007. Based in Houston, HIIG has underwriting

segments focused on accident and health, commercial, excess and surplus lines, and specialty.

—Staff Report

Jewelers Mutual Group Names Chief Financial Officer-Treasurer

Jewelers Mutual Group has named Sumit Dangi as chief financial officer and treasurer.

Dangi comes to Jewelers Mutual from HSBC Global, where he was senior vice president and CFO. He has led cross-functional teams for more than 20 years in countries spanning Asia, North America and Europe.

Along with his experience, Dangi's family has been in the jewelry business for four generations.



Sumit Dangi

Birrane Succeeds Redmer At Maryland Insurance Administration

Kathleen A. Birrane, a former principal counsel to the Maryland Insurance Administration, has been named the state's insurance commissioner.

She succeeds Al Redmer Jr., Maryland's insurance commissioner since 2015, who stepped down from his position to take over as executive director of the Maryland Auto Insurance Fund.

Birrane has been with the law firm DLA Piper since



Kathleen A. Birrane

2012, where she was a partner in the insurance sector and the litigation and regulatory practice. Her practice is focused on insurance and regulatory matters, including criminal investigations related to insurance.

Her father, Edward Birrane Jr., held the position of Maryland insurance commissioner from 1977-1982.

Redmer served twice as insurance commissioner. He was appointed in 2003 and served until 2005. Gov. Larry Hogan then appointed him commissioner after his election victory in 2014. He was reconfirmed in 2019 for a term that was to have expired in 2022.

Liberty Mutual Names CUO For Global Risk Solutions

Liberty Mutual Insurance has named David Perez to succeed James Slaughter as chief underwriting officer for global risk solutions.

Slaughter was to leave the company effective June 30. In his new role, Perez will work with underwriting leaders across GRS to drive underwriting strategy and operations.

Perez has been with Liberty Mutual since 2012, most recently as chief underwriting officer for North America. Previous roles included president of Glaucon Risk Group, president and CUO at Torus Insurance and president P/C severity claims at Chartis Insurance.



David Perez

Fritz Gerber, Former CEO at Zurich Insurance Group, Roche, Dies at 91

Fritz Gerber, honorary chairman and former chief executive officer at Zurich Insurance Group and former CEO and chairman at Roche Holdings, died of a stroke at the age of 91 on May 10.

Born March 22, 1929, in Huttwil, Switzerland, Gerber joined Zurich in 1958. In 1969, he was appointed general manager and was named CEO in 1974, a position he held until 1991. From 1977 until 1995, he served as Zurich's chairman, and had been honorary chairman ever since, according to a Zurich statement.



Fritz Gerber

At Roche, Gerber held a dual role as group CEO (1978-1998) and chairman of the board (1978-2001). He remained closely associated with Roche throughout his life as honorary chairman, according to a Roche statement.

"Fritz Gerber was a remarkable leader and is rightly considered one of the greatest company managers in Switzerland," said Michel M. Liès, Zurich's chairman, in a statement.

Roche Chairman Christoph Franz in a statement noted Gerber led both Roche and Zurich at the same time for 17 years, "which made him one of the most influential Swiss managers of global stature at the time." He said Gerber was a member of numerous other boards of directors, including that of IBM.

In June 1995, Gerber retired as chairman at Zurich Insurance Group.

Topa Insurance Names President and CEO

Topa Insurance Group has named Michael Day as permanent president and chief executive officer.

Day has been leading Topa Insurance Group on an interim basis since the end of 2019 when he succeeded John Donahue, who resigned.

Day has more than 35 years of diverse financial and business experience, including 13 years of industry experience. Since 2016, Day has been a member of the Topa Insurance Group board of directors, working closely with the executive team.



Michael Day

Former CEO of Guy Carpenter Salvatore D. Zaffino Dies at Age 75

Salvatore D. Zaffino, former chief executive officer of Guy Carpenter, has died.

Born Aug. 11, 1945, Zaffino was appointed chairman of Guy Carpenter in 1999 and retired from the firm in 2007, but remained as a nonexecutive chairman of the firm until 2009



Salvatore D. Zaffino

when he was diagnosed with Parkinson's disease, according to his obituary.

He served more than 40 years in many senior positions in the insurance and reinsurance industry. Zaffino previously had served as chairman and CEO of Sedgwick Re North America from 1993 to 1998. From 1985 to 1993, he was chairman of Crump Re, an organization he created and continued to manage until its merger with Sedgwick Re. He began his insurance career as an underwriter for American Mutual.

Zaffino also served his country as a sergeant in the United States Air Force and was honorably discharged in the late 1960s.

A defining moment of Zaffino's career came on Sept. 11, 2001, during his tenure as CEO of Guy Carpenter, whose world headquarters were located in Two World Trade Center. He led the company through that difficult period and received several awards globally for his personal contribution to restoring operations, according to his obituary.

Zaffino was also a committed philanthropist and was involved in several charities. In particular, he established a foundation benefiting HARC, in Hartford, Connecticut, in honor of his late grandson Alex, his obituary said.

Zaffino is survived by his wife of 54 years, Marion, sons Peter and Jonathan, daughter Jacqueline and 11 grandchildren.

Chubb Names Chief Accounting Officer

Chubb Ltd. has named Annmarie Hagan to succeed Paul Medini as vice president of Chubb Group and chief accounting officer.

Medini, who has been with the company for 17 years, is retiring. He has served as chief accounting officer since 2003 and will remain with the company until August.

Hagan has more than 35 years in insurance, accounting and financial management. She has served as global controller of Chubb since 2016. She joined the company's combined insurance business in 2014 as senior vice president in operations and finance.

Earlier in her career, from 1999 to 2001, she also served as a vice president in finance with Chubb.

Prior to rejoining the company in 2014, Hagan served in executive leadership positions, including CFO for Cigna Corp. and chief operating officer and president of the specialty businesses at WellPoint Inc.



Annmarie Hagan

Catalina Holdings Names Group Chief Financial Officer

Catalina Holdings has named Derrick Irby to succeed Chris Fleming as group chief financial officer.

Irby transitioned to his new role on May 1 and replaces Fleming who has been with Catalina since its first acquisition of OPR in 2005.

Irby will oversee Catalina's Group finance function and will be based in Bermuda. He has 22 years of experience advising and leading the finance activities of insurance and reinsurance companies. His most recent role was head of finance, P/C insurance and reinsurance at Axa XL.



Derrick Irby

Swiss Re Corporate Solutions Names Chief Financial Officer

Swiss Re Corporate Solutions has named Matthias Grass to succeed Martin Mueller as chief financial officer.

Grass transitions to his new role on July 1, subject to approval by the relevant authorities. Mueller had been CFO since November 2017, and has been appointed head global finance transformation for the Swiss Re Group.

Grass joined Swiss Re in 2013 and has served as CFO of group operations and CFO for Swiss Re's service companies. Previously, Grass spent eight years with McKinsey & Co., where he held numerous positions of increasing seniority.



Matthias Grass

Pacific Life Names Chief Risk Officer

Pacific Life has named Alessandro Papa to succeed John Dieck as chief risk officer.

Papa replaces Dieck, who was appointed to chief financial officer of the life insurance division.

Papa joins Pacific Life from MetLife Inc., where

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he served as chief of staff to the president and chief executive officer and was responsible for driving major strategic initiatives and managing MetLife's reinvestment fund. Previously, he served as head of insurance and product risk management and as U.S. chief risk officer.

Life Insurance Council of New York CEO to Retire in Early 2021

The Life Insurance Council of New York has announced Mary A. Griffin, the group's president and chief executive officer, will be retiring in early 2021.

Griffin joined the association in 2016 after the retirement of former CEO Thomas Workman.

Before joining LICONY as CEO, Griffin was a senior vice president in the state and local government affairs practice at Citigroup, and worked as the chief government affairs representative for New York State for the American Insurance Association. Prior to that, she served for 18 years in New York State government, including nine years at the Department of Insurance, the forerunner to the Department of Financial Services. BR



Mary A. Griffin

What Readers Say

Positivity in Pandemic

Best's Review recently asked that readers tell us some positive stories about how they have helped clients during the COVID-19 pandemic.

During the COVID-19 pandemic I was able to help a client by doing his grocery shopping online for him and having it delivered to his home. He is elderly and doesn't get around well and also has diabetes so he didn't want to go out.

He was very appreciative of me helping him because he doesn't use a computer and really has no one close who could shop for him.

DeAnna Wiseman
State Farm Agent
Jeffersonville, Indiana

Come Together

Argo Group's Leah Ohodnicki discusses the role marketers play in working with teams across the organization to drive revenue and attract top talent.

by Lori Chordas

Cultivating relationships and effective communication are vital keys to marketing success and essential ways to amplify a company's brand, add value, attract top talent and drive revenue growth.

To achieve that success, marketers need to continually gather feedback from their leadership teams, peers, customers and others, and be authentic and "someone that people feel like they can relate to," said Leah Ohodnicki, Argo Group's senior vice president and head of marketing and producer management in the Americas, during a May 15 webinar sponsored by AM Best and the Insurance Marketing and Communications Association.

Following is an edited transcript of the interview.

How are customer expectations changing the way we look at insurance, and how is marketing to consumers evolving to meet those expectations?

We need to be able to respond quickly, and that timeline continues to get shorter and shorter. In terms of how we approach that from a business standpoint, there's a great deal of focus around digital and handling transactional risk and how we can enable folks to write that business faster with less touch involved.

What that equates to in marketing is more real-time communication. Email is still the preferred method of communication, but I definitely see a shift toward social media and having the ability to cut through the clutter.

What do insurance marketers need to do to be

Lori Chordas is a senior associate editor. She can be reached at lori.chordas@ambest.com.



Leah Ohodnicki

taken more seriously and ensure their value is appreciated?

I've focused my career around what can I do to help salespeople achieve their goals because, ultimately, their goals are my goals. My team and I sit down with business leaders at the beginning of each year to understand their business objectives, how those values translate into marketing objectives and how we can measure that success together. We have an ongoing partnership with the business leaders to regularly review the progress made toward our objectives. I can measure success by clicks and opens, but if it translates

into no dollars we probably haven't gotten anywhere.

You network within your company through your actions. We're very proactive about reaching out and creating relationships because at the end of the day consumers and others often look to marketing as a conduit to connect through the company.

What approaches are you taking around content marketing?

We have a very robust content marketing strategy. One of the main initiatives is a program called "Ascend with Argo," which creates opportunities to connect with and develop early career producers in the industry by providing them with education, insights and support. More than 900 people have self-subscribed to the program, and they're actively receiving content we're developing and participating in events and webinars that we're hosting. **BR**

AM Best TV



Go to bestreview.com to watch the interview with Leah Ohodnicki.

Stay Connected

Keeping office traditions alive helps employees stay engaged in a remote work environment.

By **Carly Burnham**

As we head into yet another month of life in the times of a pandemic, many insurance professionals are still working from home and limiting their business travel. Many of us have found systems that work for being productive and have learned how we can manage our time to keep on track and stay sane.

One thing that leaders in insurance organizations may be wondering is: How can we keep our employees engaged when they are remote? I want to share three ideas that may work for your team.

First, acknowledge the day-to-day wins publicly and the challenges privately. As your teams adjust and get into the groove of remote work, you will find that individuals have different high points and low points. Check in on them. Ask how they're holding up. Find out whether they're struggling. Also take note of the victories, even the small ones. Speaking with employees individually about the challenges, and then sharing wins as they are comfortable, will allow the team to learn from positive findings.

Second, connect on a personal level. Your employees need to hear from you regularly to keep engaged with the team. If you are a manager, set up something weekly or bi-weekly at least. If you are a senior level leader, consider hosting virtual town halls or more events than you normally would, so that you can answer

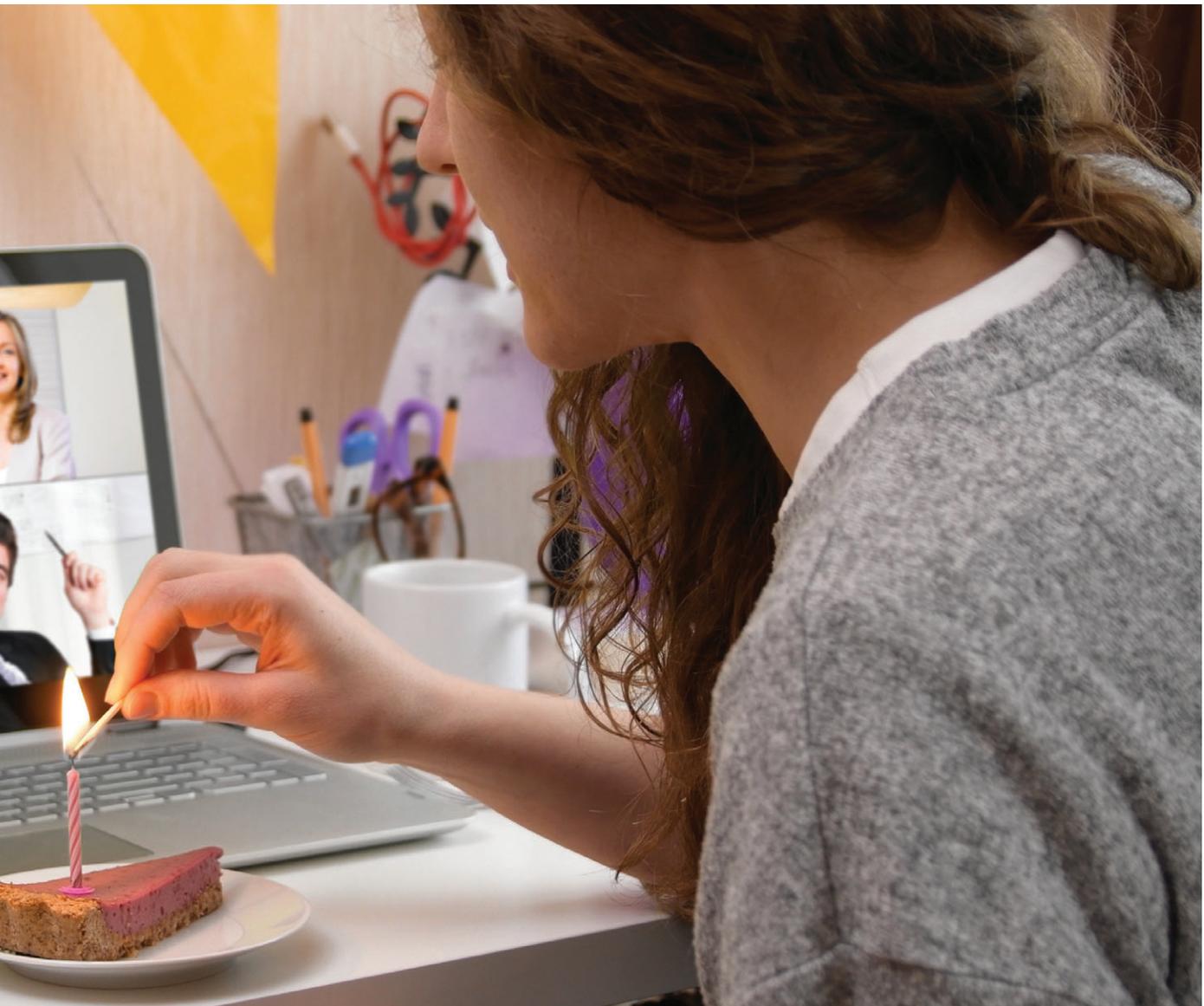


Carly Burnham, CPCU, MBA, has been in the insurance industry since 2004. She blogs at [InsNerds.com](https://www.insnerds.com) and can be reached at bestreviewcomment@ambest.com.



questions and guide the company's response to the challenges of the current environment. In these uncertain and changing times, your employees are bound to have concerns and questions. Giving them an open forum to discuss such things with senior leadership is paramount to keeping a feeling of connection.

Third, reinforce your company's culture and values from a distance. Being apart doesn't mean your office traditions cannot continue. Any celebrations you would normally have in person, such as birthdays or work anniversaries, should now be adjusted to be held virtually. If you would buy lunch for the team or leave a piece of company swag at their desks, consider sending employees gift cards for a local lunch spot in their neighborhood and/or to your company



store. It's more important than ever to recognize milestones and make employees feel valued. Remind them that being out of sight doesn't mean they're out of mind.

These are three small pieces of advice that you have likely read in other places since this all began. We need not reinvent the wheel to maintain connections with our employees, but we must do so with intent and focus over the next few months. As we gain experience, we will find new things that work and some suggestions will fall by the wayside.

Though many of our organizations have moved to remote work because of the pandemic, insurance organizations are full of professionals who have been doing their jobs without ever having had their offices at the headquarters.

Particularly within your claims and distribution organizations, there are people within the company who have been doing this for years. Reach out to them if your team is struggling with the transition. Find out how they stay connected to the company and what kind of touch points they've liked in the past. Their experience will help guide you.

And for those of us who are new to remote work, share your feedback with your leaders and ask for what you need or want. Leaders, be open to the options that your employees suggest and keep open lines of communication; including when you have to say no to a request. Transparency and radical candor will go a long way in managing the challenges that will come up as we adjust. **BR**

Regulatory Update

Business interruption insurance task force proposed; NY addresses fast-tracking insurtechs and Florida cat fund not renewing reinsurance.

Business Interruption Insurance: The Illinois legislature has sent a bill to Gov. J.B. Pritzker that would create a task force to examine business interruption insurance and how it can be written to be more beneficial to policyholders.

The task force language was part of a much broader bill that would create a limited oversight committee reviewing Pritzker's plan to reopen the state's economy following the COVID-19 pandemic shutdown and address future similar emergencies, among other things.

A portion of S.B. 2135 would create a 10-person task force of members representing the Department of Insurance and the insurance industry to study business interruption insurance policies.

The group would study the impacts of the COVID-19 pandemic on businesses and the need for changes to business interruption insurance policies based on those impacts, including recommendations for legislation. The task force members would be unpaid and deliver a report to the governor and General Assembly by Dec. 31, it said.

According to the bill, the task force will study "the impacts of the COVID-19 pandemic on businesses and the need for changes to business interruption insurance policies based

Caribbean Cat Fund Covers Over \$1 Billion in 2020 Risk

The European Union supports fund with grant of \$11.2 million.

by David Pilla

Caribbean catastrophe fund CCRIF said its member governments in the Caribbean region all renewed their parametric insurance coverage for tropical cyclone, excess rainfall, earthquake and fisheries ahead of the 2020 Atlantic hurricane season, ceding more than \$1 billion in risk to CCRIF and increasing overall coverage by 8%.

The European Union through its global COVID-19 response also provided a grant of €10 million (\$11.2 million) to CCRIF for premium support or for increasing coverage for its Caribbean members to support Caribbean governments whose social and economic sectors have been significantly disrupted by COVID-19, CCRIF said in statement.

"The renewal of countries' catastrophe risk insurance policies at this time signals the strategic importance they are placing on disaster risk financing as key to advancing their sustainable development prospects, and they welcome this additional support provided to them by the EU in the context of shrinking fiscal space," CCRIF said.

According to CCRIF, the EU-funded support available for each member country would provide at least a 26% discount on total gross premium or an increase in policy coverage under their CCRIF parametric insurance policies. "This is in addition to the discounts that CCRIF also is providing—5% discount on gross premium for tropical cyclone coverage and a further discount of 15% on additional coverage purchased by members for increased tropical cyclone and/or earthquake coverage for the 2020-2021 policy year," CCRIF said.

"Mitigation of COVID-19 impacts ahead of the hurricane season that already started in the region requires extraordinary and coordinated measures," Daniela Tramacere, EU ambassador to Barbados and the Eastern Caribbean, said in a statement. "The €10 million support has been provided to CCRIF to ease payment of member countries' premiums and improve their risk coverage against natural hazards."

CCRIF said member countries have the option of using the EU-funded discount during the 2020-2021 and 2021-2022 policy years. "The decision to allow for use of the funding in 2021-2022 is based on projections of low or negative growth in Caribbean countries next year, which undoubtedly will have an impact on their fiscal space," the company said.

As the 2020 Atlantic hurricane season continues, CCRIF said Caribbean countries are covered for another year against tropical cyclones and excess rainfall events that occur throughout the year as well as earthquakes. BR

"The €10 million support has been provided to CCRIF to ease payment of member countries' premiums and improve their risk coverage against natural hazards."

Daniela Tramacere
EU Ambassador to
Barbados and the
Eastern Caribbean

David Pilla is news editor, *BestWeek*. He can be reached at david.pilla@ambest.com.

NY State Agrees to Fintech Cooperation Pact With France

Regulator says agreement will foster collaboration to support cross-border fintech developments.

by Timothy Darragh

The New York State Department of Financial Services has signed a memorandum of understanding with France's Autorité de Contrôle Prudentiel et de Résolution to ease entry for fintech innovators into the New York and French markets, furthering New York and France as innovation hubs for financial services technology, including insurtech.

The DFS is the first U.S. financial services regulator to sign such a memorandum with the ACPR, it said in a statement.

Superintendent of Financial Services Linda A. Lacewell and Governor of the

“This is the first cooperation agreement on fintech signed by the ACPR with an American authority. It underscores the ties between the two authorities and their strong commitment to innovation.”

François Villeroy de Galhau
Chairman
Autorité de Contrôle
Prudentiel et de
Résolution

Banque de France and ACPR Chairman François Villeroy de Galhau signed the memorandum.

Backed by the Banque de France, the ACPR is the administrative authority that supervises France's banking and insurance sectors and ensures financial stability.

“DFS is pleased to partner with our French regulatory counterparts through this signed agreement,” said Lacewell. “This will foster collaboration to support cross-border fintech developments, providing entrepreneurs speed-to-market opportunities in New York and France, while upholding robust consumer protection.”

Under the agreement, the DFS and the ACPR will cooperate with the aim of encouraging innovation in their individual financial services markets, enhancing consumer protection, and supporting financial innovators to enter and meet regulations in each other's jurisdictions, consequently encouraging healthy market competition in respective markets, the statement said.

The DFS and the ACPR will refer fintech innovators to each other, which can improve speed to market; exchange information about regulatory and policy issues; ensure

that innovators in each other's jurisdiction receive equivalent levels of support; and share regulatory and supervisory expertise and best practices, it said.

“This is the first cooperation agreement on fintech signed by the ACPR with an American authority,” said Villeroy de Galhau. “It underscores the ties between the two authorities and their strong commitment to innovation. I am sure this agreement will help connect two major fintech ecosystems and promote innovative financial services in both countries that should benefit consumers, corporates and the wider economy.”

BR

Timothy Darragh is associate editor, *BestWeek*. He can be reached at timothy.darragh@ambest.com.

Regulatory Update

on those impacts, including recommendations for legislation.”

Participation on the task force will be voluntary.

To protect against future pandemics, businesses could obtain government-administered cover to replace a portion of their payroll, employee benefits and operating expenses in the event of a presidential viral emergency declaration, under a federal program proposed by trade representatives.

The American Property Casualty Insurance Association, along with National Association of Mutual Insurance Companies and the Independent Insurance Agents & Brokers of America Inc., proposed the Business Continuity Protection Program. It would be managed by the Federal Emergency Management Agency, with limited administrative assistance from private contractors.

“We need a sustainable solution that provides simplicity, certainty and immediate relief to impacted businesses,” said David Sampson, chief executive officer of the APICIA.

Insurtechs: The New York State Department of Financial Services has launched a new program, DFS FastForward, to support innovators seeking to deliver new solutions in financial services, insurtech, fintech and healthtech for New Yorkers in the COVID-19 era.

The New York Insurance Association welcomed the announcement as a long-desired step by the DFS to modernize.

“As New York begins re-opening, new cutting-edge and innovative solutions will be needed to adapt the New York marketplace to a new normal due to COVID-19,” said DFS Superintendent Linda Lacewell.

“DFS FastForward will help to build New York back better by supporting tomorrow's

Regulatory Update

innovators for the benefit of New York's economy and consumers."

DFS FastForward follows an insurtech pilot project dubbed "Project Whitehall," which launched in February, through which companies and start-ups had the opportunity to connect directly with DFS subject matter experts to explore how DFS regulations might apply to their innovative, and often disruptive, insurtech solutions as they prepare to launch in New York, the department said in a statement.

DFS FastForward is open to DFS-regulated, and nonregulated, entities, as well as innovators, start-ups and disruptors looking to operate novel financial services and products in New York, the department said.

Catastrophes: The Florida Hurricane Catastrophe Fund will not renew its reinsurance program as the 2020 hurricane season gets under way, citing reduced reinsurance market capital levels.

The fund has been able to participate in the reinsurance market since 2015 without reducing the amount of capacity available to direct writers in Florida, said John Kuczanski, manager of External Affairs for the State Board of Administration, which administers the fund.

In 2019, that reinsurance coverage amounted to \$920 million, according to a fund report from February.

But with the market hardening, that well of private capital is diminished, he said.

"In the current environment, capital is less abundant than in prior years," Kuczanski said.

"After evaluation of this market, and in collaboration with our trusted consultants, the State Board of Administration has decided not to participate in a private reinsurance placement this year."

UK Launches Trade Credit Insurance Scheme

The scheme is available on a temporary basis and is available to insurers operating in the U.K. market.

by David Pilla

The U.K. Treasury said the government is backing trade credit insurance for the country's businesses with a guarantee of up to £10 billion (\$12.55 billion) for businesses in response to the COVID-19 pandemic.

The government will provide guarantees to maintain trade credit insurance schemes for business-to-business transactions across the market "in light of COVID-19" by protecting against customer defaults or payment delays, the Treasury said in a statement.

Treasury said the reinsurance scheme is available on a temporary basis for nine months, backdated to April 1, and is available to insurers operating in the U.K. market. There is a potential for extension if required.

The scheme will be followed by a joint review of the trade credit insurance market led by Treasury and the U.K. Department for Business, Energy and Industry Strategy "to ensure it can continue to support businesses in the future," Treasury said. Treasury said the scheme was developed "following extensive discussions with the insurance sector" and will cover "the vast majority of trade credit insurance coverage maintained across the U.K."

"Trade credit insurance is a daily necessity for hundreds of thousands of businesses across the U.K., particularly those in non-service sectors such as the manufacturing and construction sectors," said Business Secretary of State Alok Sharma in a statement. "This reinsurance scheme is an important step as we carefully set about firing up our economy as we emerge from the pandemic."

"We welcome this temporary scheme, which reflects the pivotal role of trade credit insurance in helping businesses to recover from the unprecedented effects of the COVID-19 crisis," James Dalton, director, general insurance policy, Association of British Insurers, said in a statement. "Since we alerted the government of the need for it, we have worked closely with them to make it a reality. Maintaining cover as far as possible between suppliers and their clients will be a key component in allowing the U.K. economy to overcome the challenges of the current crisis."

Over the past two months the ABI said it "and a number of trade credit insurers worked closely with the government to make the case for such a facility given the difficult trading environment for businesses that lies ahead and, in the last few weeks, have been working intensively with the government to agree on the detail."

"We welcome this temporary scheme, which reflects the pivotal role of trade credit insurance in helping businesses to recover from the unprecedented effects of the COVID-19 crisis."

James Dalton
Director, General
Insurance Policy
Association of British
Insurers

BR

David Pilla is news editor, *BestWeek*. He can be reached at david.pilla@ambest.com.

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Underspend, Overperform

How leading carriers defy conventional wisdom.

By **Bill Pieroni**

It should surprise no one to learn that high-performing insurers are better at core operations than competitors are—excelling in underwriting and claims while optimizing expenses. However, recent analysis indicates that superior carriers now consistently develop and leverage key advantages to go beyond traditional understandings of industry success.

Conventional wisdom—validated by centuries of experience—holds that insurance is a business of trade-offs. Spending more on underwriting results in lower loss costs, and vice versa. Within the loss cost itself, there should be a similar inverse relationship between loss adjustment expenses and pure loss. Traditionally, carriers accepted these trade-offs, prioritized one of the alternatives, allocated resources, developed capabilities and executed. It's common sense.

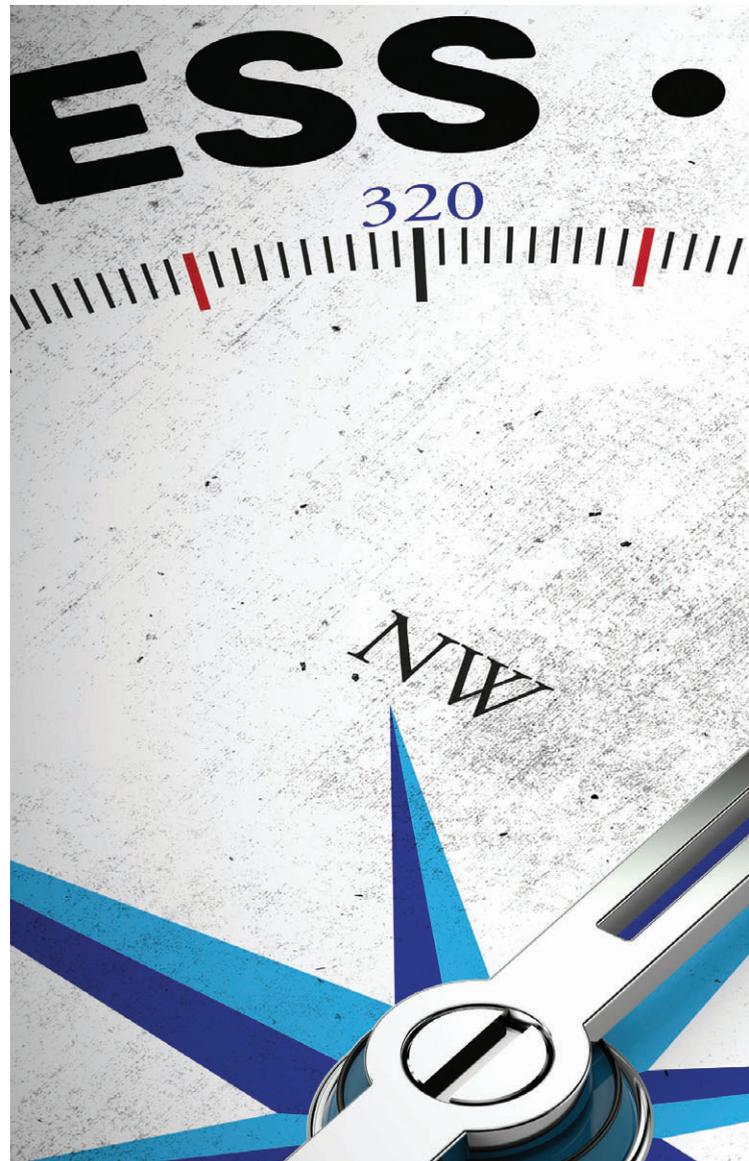
Not anymore—at least, not among top-performing carriers. How do they achieve this feat?

ACORD recently completed a study of expenses across 20 years among the 100 largest writers of commercial P/C lines in North America. Superior Performers—those who exceeded the cost of capital through both underwriting and investment—made almost seven cents more per dollar of premium than the study average. Inferior Performers made almost six cents less. Clearly, there is a wide outcome gap between these groups. What drove it?

A natural impulse would be to identify where the winners focused resources. What did they prioritize?



Best's Review contributor **Bill Pieroni** is the president and CEO of ACORD. He can be reached at bestreviewcomment@ambest.com.



On a relative basis, where did they choose to overspend, in order to underspend elsewhere?

The answer, surprisingly, is that Superior Performers achieved lower expense ratios in almost every category across almost every line of business—18% lower acquisition expenses than the average, 4% lower general expenses, 8% lower total loss costs. Defying conventional wisdom, they managed to “underspend to underspend,” while delivering exceptional results.

One key enabler of this feat was strategic and tactical technology deployment. Superior Performers did not necessarily spend more on technology, but demonstrated materially higher levels of digital maturity and the resulting productivity. Winners successfully deployed and leveraged technologies while ensuring alignment



with strategic intent as well as complementary organizational and process capabilities. In this way, winners were able to operate more efficiently and effectively across the value chain.

However, there is a single category where Superior Performers spend consistently more than competitors. On average, winning carriers paid 5% higher commissions. These insurers maximized their investment by compensating the “right” agents for the “right” customers. They optimized insureds’ value by premium, product density, cross-sell opportunities and future option value, while managing their agent network with corresponding metrics.

The final hallmark of Superior Performers was execution across distinct time horizons—simultaneously achieving superior near-term performance and long-term positioning. While

these phases may last months or years, depending on the individual carrier, they follow a similar pattern. In the near term, they focused on continual, incremental productivity gains to achieve superior returns and support long-term investment. Over the second horizon, they executed across the full value potential continuum, prioritized option value and ensured “renewable” capability investment. The final time frame is where they refine execution in the context of market realities, while maintaining low institutional slack and delivering ongoing productivity enhancement.

By embracing digitization, partnering with strong agents and executing against strategic horizons, Superior Performers test the limits of conventional wisdom while their peers remain mired in the traditional paradigm of trade-offs. **BR**

The New Normal

Insurers are finding ways to reshape digital strategies and investments in the midst of a pandemic.

By **Deb Smallwood**

In what seems like the blink of an eye, the world, society and all of humanity has over the past several months been stressed and tested at every level due to the global spread of COVID-19.

Insurance has a history of successfully weathering all storms, and we are confident that insurers will weather this one too and emerge with a reshaped digital transformation strategy and plan.

As the industry moves beyond flattening the curve, a new normal is taking shape. There is uncertainty about the recovery and the impact on insurance and its ecosystem. However, it is very clear and certain that the world has flipped into a virtual vortex of digitally enabled capabilities, and there will be no turning back on the acceleration of the digitally connected world.

This pandemic has brought digital strategies and investments into sharp focus and revealed, in real time, which digital investments are delivering high value and which are not. It has also exposed our gaps and elevated capabilities that were once perceived as less important to higher levels of significance.

So, where is the property/casualty insurance industry related to digital readiness and response?

Pre-COVID-19, the industry was already in the midst of a digital transformation journey. Just about every insurer has some level of digital transformation underway. Some past and current investments are paying off, especially digital self-service sales and service capabilities, along with digital communications and payments.



Best's Review contributor **Deb Smallwood** is the CEO and founder of strategic advisory firm Strategy Meets Action. She can be reached at dsmallwood@strategymeetsaction.com.



P/C insurers are staying the course with their digital technology investments, according to SMA's *COVID-19 Market Pulse Survey*. Very few have plans to retrench or put plans on hold. But many are reshaping their priorities and, in some areas, accelerating, too. Personal lines plans appear more aggressive than commercial lines.

Disasters have a way of revealing the need for change, and the COVID-19 pandemic has had such a wide range of impact that digital plans will benefit from a reshaping.

As companies develop their digital plans for COVID-19 and other future catastrophes, they should consider the following:

Digital payments. There is a renewed urgency to transform inbound and outbound payments by moving away from physical paper checks and



payments and creating digital experiences and virtual digital payment capabilities.

Digital communications. Digital interaction and delivery for most communication and content are critical and essential. This includes digital communication tools such as voice, chat, texting and document workflow management that eliminates paper and automates manual workarounds.

Digital platforms. It is essential to accelerate the digital enablement of sales and service capabilities for policyholders, agents and brokers with a modern platform and connections to core systems. These platforms enable new servicing, sales automation and straight-through processing by leveraging transformational technologies like artificial intelligence, bots, the internet of things and wearables.

Digital underwriting. Shift the priorities from new business to renewals, providing digital automatic renewals that will automate the new set of underwriting guidelines for policyholder exposure and impact. Leverage new AI tools, new sources of COVID-19 data and analytical insights for detail comparisons, coverages and exclusions.

Digital claims. Create digital experiences for most claims, from first notice of loss/first report of injury through settlement, and enable vital capabilities such as fraud detection, litigation management and recovery.

Next year may paint an entirely different picture, but for now P/C insurers are full steam ahead with their plans for digital transformation investments. BR

The BI Challenge

Kudos to those who during this time of pandemic understand risk and the insurance industry.

By **Howard Mills**

Recovering from the economic devastation caused by the coronavirus will take years and what that recovery will look like is far from certain.

We do know that a strong insurance market will be critical to bringing our economy back and that insurers have been severely challenged by COVID-19, just as all sectors of our economy have been. However, as one of the most highly regulated of industries in a state-dominated legislative/regulatory system, insurers face some unique challenges.

All across the U.S. we have seen efforts in state legislatures to put the cost of economic losses suffered by businesses on insurance companies that write business interruption insurance despite the fact that pandemic is not an insured loss in most policies and no premium was collected for pandemic risk. These legislative efforts to abrogate insurance contracts, if successful, would destroy the property/casualty insurance industry, turning COVID-19 into something it is not: a solvency-threatening event for the American P/C industry.

As a former New York state legislator and superintendent of insurance, I was not surprised to see these ill-conceived attempts to hold insurers liable for risks they had not insured. The “deep pockets” of insurers are a tempting target for those who may not have a deep understanding of how risk-transfer works—or in the case of trial lawyers, simply represent a gold mine of



Best's Review columnist **Howard Mills** is a former New York state superintendent of insurance and a former deputy minority leader of the New York State Assembly. He may be reached at howmills@outlook.com.



personal gain. Legislators need to understand why the coronavirus is not an insured event due to pandemic exclusions in the standard industry policy forms and the rationale regulators used to approve these forms and exclusions.

Pandemic is an excluded loss in the standard business interruption insurance policy because it is an uninsurable event. Business interruption insurance covers financial losses, such as lost income or operating expenses, when a business cannot function because of physical damage to a commercial property—think fire, hurricane, tornado or damage caused by civil unrest. These losses, which insurers pay out claims for every year to re-build American businesses, are limited to specific areas and time frames and thus make the spreading of risk possible and, as a result, business



interruption insurance is readily affordable. This is how insurance works.

The current crisis is different because, as Chubb CEO Evan Greenberg recently said, “Pandemics are different. The coronavirus started in China but it has neither geographic boundaries nor a time limit. The loss potential in practical terms is infinite, but insurance companies have finite balance sheets.”

It is important to note that both the National Association of Insurance Commissioners and the National Council of Insurance Legislators, as well as individual commissioners and departments of insurance, have weighed in and urged the rejection of legislative attempts to abrogate insurance contracts. NCOIL has stated that such efforts would “compound the damage to the broader economy by forcing insurers to pay claims for which they

did not contract. To do so could destabilize these insurers and render them unable to pay claims for which they did accept the risk, and did rate.”

What those who would retroactively force insurers to cover pandemics through BI policies need to understand is that this would devastate industry surplus and jeopardize the financial stability of the property/casualty industry and further damage the U.S. economy and delay the recovery. Business owners would not have the ability to purchase affordable BI insurance and would be deprived of coverage when non-pandemic disaster strikes.

Kudos to the NAIC and NCOIL for providing clear and well-reasoned guidance to policymakers. This crisis demands leadership and those in public-policy positions who best understand the insurance industry are providing it.

BR



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A Driving Force

Andy Shockey, Assistant Vice President, Risk Management Services, Philadelphia Insurance Cos., said that vehicle telematics is leading to safer roadways while helping commercial vehicle owners control costs and the well-being of their drivers. The following is an excerpt of that interview.



PHILADELPHIA
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What is vehicle telematics?

Very simply, it's the collection of vehicle and driver behavior datapoints related to the operation of the vehicle. This data can be collected and transferred from the vehicle via cellular signal, and is also collected by a black box installed by the vehicle's manufacturer.

How is vehicle telematics helpful to policyholders?

The availability of telematics data positions policyholders to receive and respond proactively to the behaviors of their employee drivers. This includes the opportunity for positive reinforcement to their drivers who consistently operate their vehicles in a safe and lawful manner. Prior to this technology, our policyholders could only react to situations brought to their attention such as phone calls from the concerned general public and/or their vehicle mechanic.

In addition to helping policyholders improve driver behavior, telematics users can monitor the location of their vehicles to ensure they're operating where they should be. We had an incident this year where a policyholder's utility van was stolen and taken on a high speed chase exceeding 90 miles per hour. When the police "lost" the vehicle during the chase, the policyholder was able to log into our PHLYTRAC system to tell the police exactly where the car thief was heading. The police were able to successfully recover the vehicle, damage-free.

How is vehicle telematics helpful to PHLY agents?

This shared dataset helps PHLY and our agency partners continue to inform and influence our policyholders on what can be done to continue to control the cost of commercial automobile insurance. Driver behavior remains an aspect to this challenging exposure that is in our policyholder's control.

How has vehicle telematics impacted driver safety?

We looked at our frequency experience of our national telematics program at Philadelphia Insurance, which is 45,000 vehicles and growing. Our policyholders averaged a 19% frequency reduction.

- Leader in telematics for commercial auto insurance.
- Best's Financial Strength Rating A++ (Superior) and approved in 50 states.
- 96% overall customer satisfaction.

Andy Shockey

Assistant Vice President, Risk Management Services
Philadelphia Insurance Cos.



"Policyholders with PHLYTRAC have averaged a 19% reduction in loss frequency."

Go to the Issues & Answers section at [bestreview.com](https://www.bestreview.com/issuesanswersarchive.asp) to watch an interview with Andy Shockey.

During the COVID-19 time in our country, we're reading about high speeds and the severe crashes related to the speeds. Telematics continues to help position a fleet management team with timely alerts to their own drivers' behaviors, which helps improve their safety as well as the safety of other motorists on the road.

SOME THINGS WORK BETTER TOGETHER.

Like working with a Wholesale & Specialty Insurance Association member to find a custom solution to a nonstandard risk. WSIA members will help you craft cost-effective, innovative solutions for your specialty and nonstandard risks. Combining the strength of the former AAMGA and NAPSLO organizations, WSIA members are your source for expert solutions.



find WSIA members at wsia.org



Solutions Providers

Bryan Sanders, president, WSIA board of directors and president of Market Specialty, said despite the current global pandemic and the related economic impacts, the wholesale, specialty and surplus lines market continues to perform well. “AM Best’s 2019 Market Segment Report on surplus lines found growth of 11.2% in surplus lines direct written premium in 2018, with surplus lines premium totaling a record \$49.9 billion for the year,” he said.



- A nonprofit association of insurance professionals and specialty market leaders dedicated to the wholesale distribution system.
- Serves more than 730 member firms representing approximately 1,700 offices and tens of thousands of industry professionals.
- Provides world-class member services including networking, education, talent development, legislative advocacy and promotion of the value of wholesale distribution.

What is the current outlook for the wholesale, specialty and surplus lines market?

The surplus lines market has more than doubled in size during the last 20 years, growing from 3.3% of the total property/casualty direct written premiums in 1998 to 7.4% at the end of 2018, and surplus lines grew as a percentage of commercial lines direct written premiums from 6.7% to 15.7% in that time. A recent report from the 15 states with surplus lines stamping offices also indicates that premium is continuing to grow, as is the number of filings with those stamping offices. Total surplus lines premium reported to those states in 2019 was \$37.5 billion, which is a 19.3% increase over 2018, representing remarkable growth.

The market is at a record level of surplus lines premium, and surplus lines carriers continue to maintain a higher proportion of secure financial ratings than the overall property/casualty market.

The COVID-19 pandemic is unprecedented. How are WSIA member wholesale brokers and carriers adapting and accommodating insureds in response to the current crisis?

Wholesale, specialty and surplus lines insurers and wholesale brokers are solutions providers, and while this current global health crisis is unlike anything we’ve ever seen as an industry, we’re working through this just like we would any other catastrophic event to try and achieve good outcomes for insureds. We are focused on maintaining good communication and providing uninterrupted service. Since the pandemic began, each state has issued its own regulatory and legislative guidance, much of which has been aimed at providing relief to insureds who are managing through the distress of COVID-19, which call for various policyholder accommodations and grace periods. We’re committed to working with insureds and help them manage through COVID-19 impacts.

Bryan Sanders

President, WSIA Board of Directors
President of Market Specialty



“We know that even during these trying times, increasing demand for solutions to emerging risks and product innovation will be key drivers of growth.”

What do you view as opportunities for the surplus lines market moving forward?

We have opportunities to leverage emerging artificial intelligence technology and insurtech to enhance efficiency and accuracy in developing and distributing specialty insurance solutions. We have opportunities to continue to promote and deliver on the value of wholesale distribution. Wholesale brokers are experts in customizing insurance solutions that best meet the unique needs of the insurance buyer, which will be increasingly critical in coming months and years. We also have a growing opportunity to educate regulators and lawmakers on the critical role of the wholesale, specialty and surplus lines market to protect consumers, support economic development and insure the riskiest assets and operations for individuals and businesses.

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Accidents Will Happen

Dixon Gillis, CEO of A-G Administrators, said the company has a customer service approach combined with a cost containment environment that's superior to any other accident insurance TPA in the market. "What's more, the technology that we've implemented over the last couple of years has allowed us to streamline some of the more technological capabilities of the medical expense world, while also delivering that human touch which is so important in this environment," he said. The following are excerpts of an interview.



- Founded in 1983.
- Committed to personal service.
- A leader in special risk and accident insurance.

What is accident insurance?

Group accident insurance is covering individuals and participants as representatives of policyholders and organizations. The intent of it is to own medical expenses associated with injuries that occur during participation in covered activities for the policyholders.

Is there a correlation between health insurance and accident insurance?

Accident insurance is typically secondary in nature to primary health insurance offered by employers or individuals. Most often the interplay is when the first expense is absorbed by the primary health insurance, and then the accident insurance associated with a policyholder will kick in to cover all residual expenses associated with a covered activity, such as a coinsurance or a deductible.

Has the Affordable Care Act had any impact on accident insurance?

The ACA has had a significant impact on our business, which includes more opportunity for accident insurance to become a player in the health insurance world. This is related to, primarily, higher deductibles and higher costs associated with deflecting costs against primary health insurance. As those deductibles and more cost sharing are absorbed by a policyholder of the health insurance plan that the Affordable Care Act opened up, that's more of a chance for accident insurance to come in and provide benefit in that gap.

What should agents and brokers know about accident insurance?

Agents and brokers need to understand the benefit of the opportunity to have a cost containment associated with accident insurance programs. Not all accident solutions are created equal.

Dixon Gillis

CEO
A-G Administrators



"We're committed to providing the most value to agents and brokers in delivering high-quality programs to their client."

Go to the Issues & Answers section at bestreview.com to watch an interview with Dixon Gillis.

Many times there could be a large experience-rated program that, if it's not being managed with appropriate cost containment measures, it can be a runaway train as far as costs are concerned for their client. By partnering with some industry leaders such as A-G in regards to managing those claims from a TPA perspective we can provide the most value to agents and brokers in delivering high-quality programs for their client. With the cost gap widening every day with escalation of medical rates it's important that you have a strategic partner that understands your accident insurance program and can help navigate that environment. At A-G, accident coverage is our specialty, we provide our agents and brokers with the best service, best savings and superior technology for their clients.



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Whole New World

Lou Levinson, president and CEO of Lexington Insurance Company, said no one could have predicted the circumstances in which we now find ourselves a year ago. “But despite the obvious challenges of the pandemic, the surplus lines insurance market has never been stronger,” he said. The following are excerpts of an interview.

How have you seen the market change over the past year?

Growth in specialty products and demand for insurance protection in an ever-increasingly dynamic market has continued to drive excess and surplus lines business. What has been causing the growth? Well, the primary factor is a hardening market, resulting in the movement of business from the admitted to the nonadmitted market. This type of movement is normal and expected after a firming of the market, when admitted carriers shed business that is more appropriately suited for the nonadmitted market.

How has Lexington responded to the changes?

Lexington has also come a long way in a year. We continue to focus our efforts on strengthening our book of business through smart underwriting at appropriate rates and working closely with our broker partners to do what we do best ... provide custom solutions to help solve their clients' risk needs.

What benefits can the E&S market provide to brokers over the standard admitted market?

Flexibility – The E&S market has the freedom of rate and form to develop solutions for risks that would be hard to place in the admitted market. That flexibility allows an E&S carrier to customize the coverage to meet the ever-changing needs of the market.

Experience – The E&S market historically has been the place where brokers find solutions to their most complex risks. Experience plays a large role in understanding risk and underwriting it correctly for the benefit of all. Whether it be a new technology risk or a catastrophe exposure, the E&S market is well poised and ready to provide solutions to mitigate and protect against it. At Lexington, we have over 50 years of experience. It is hard to ignore that.

How do you attract and retain good talent at Lexington?

Strong talent is not only the recipe for success at Lexington, but also for the industry. As many senior insurance professionals retire, the industry as a whole must work to attract new talent. At Lexington, we have a thriving summer

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Lou Levinson

President and CEO
Lexington Insurance Company



“We have an incredible leadership team at Lexington and I think that plays a large role in keeping people happy and successful.”

intern program across our business segments with college students bringing enthusiasm and reinvigorating the staff with their energy. Many of these interns will turn into tomorrow's industry leaders. This year, we have approximately 25 summer interns joining our ranks for 8 to 10 weeks.

Another important element regarding talent is the ability to retain good talent. I am proud to say that we have a number of employees who have spent their entire career at Lexington. At our internal town halls, we like to celebrate the anniversaries of these employees with a shoutout and a job well done. But, it isn't just the recognition that retains employees, it is a combination of opportunity, advancement, continual learning, and strong leadership that keeps employees satisfied.

Making the

The realities of doing business during the global COVID-19 pandemic are forcing the notoriously slow-moving life insurance industry in many cases to leap into the digital age and make planned adjustments ahead of schedule.

by Terrence Dopp

As the COVID-19 reality took hold in March, Massachusetts Mutual Life Insurance Co. began planning a new program offering free policies to front-line health care workers and volunteers in a process completely done online.

The company rolled out that product in mid-April by offering \$3 billion in coverage to people in Massachusetts and Connecticut. On May 20, it was expanded to workers in five other states.

Terrence Dopp is a senior associate editor. He can be reached at terry.dopp@ambest.com.

Jump



Key Points

Issue: The COVID-19 lockdown has rendered nearly impossible some traditional aspects of the life insurance industry such as paramedical exams and face-to-face sales.

People: Technology officers are left to roll out products with a yearlong launch calendar in months and chart a new course that encompasses new methods with old-fashioned underwriting.

The Path: Accelerated underwriting, digital sales processes and even simple things like all-digital applications and signatures are moving the ball forward on initiatives the insurance industry has already begun.



“At the end of this, I think that what we’ve been flirting with as an industry we’re going to marry.”

Chris Behling
Swiss Re

For the traditionally slow-moving life insurance industry, that rollout may be indicative of the biggest change arising from a pandemic that’s rocked governments, nations and economies. In that case, MassMutual conceived of the program, built it, went through the actuarial process and launched in near-real time.

“We did all of that within three weeks, which is unprecedented. Normally a product rollout would take from six to 12 months,” Gareth Ross, head of enterprise technology and experience at MassMutual, said. “I can’t imagine once we’ve launched a product in three weeks that we ever extend launching a product to a year. I think that becomes the new normal and I think that’s a positive for us.”

The HealthBridge program provides no-cost, three-year term life policies to all qualifying active employees and volunteers of licensed hospitals, urgent care centers, emergency medical services providers, nursing homes, assisted living, inpatient hospice and cancer facilities, as well as Federally Qualified Health Centers and temporary COVID-19 treatment facilities with benefits of as much as \$25,000. In order to sign up, customers fill out online applications and upload all required documents.

Ross said COVID-19 was a boost to the digital framework his company had been readying for years. MassMutual also raised to \$1 million the threshold for policies written without traditional health exams, increased digital options such as billing payments and saw digital applications more than double as the pandemic took root.

“What that road map looked like was a road map stretching out over the next 12 to 24 months,” he said. “The need for the speed of accelerating that digital road map could not be overstated.

I hesitate to say we’re doing massively different things, but what we’re doing is that things we anticipated doing 12 months out, we’ve brought out almost immediately.”

In its 2020 Insurance Barometer released in early June, industry group LIMRA found the sentiment toward a digital life insurance experience had flipped: Traditionally, in-person sales through an agent or adviser was the preferred method but no longer. In 2011, 64% of consumers said they preferred the face-to-face route, while in 2020 just 41% reported that preference.

Crucially, the report also found that half of Americans are more likely to buy life insurance if simplified underwriting is used. Two-thirds of people tallied said doing so is fast and easy, and unbiased. Notably, 55% also said they would consider it because it avoids seeing a doctor.

Lasting Effect

Strip away short-term sales fluctuations.

Overlook momentary shifts in whether consumers want term life policies or universal products.

When looking at how the current pandemic will alter the life insurance industry, one can modify an old political catchphrase: It’s the technology, stupid.

Dozens of life insurers in recent years had been creeping toward so-called accelerated underwriting—relying on nontraditional data sources as an end run around medical tests without sacrificing risk assessment and fraud detection. Even MassMutual, through its wholly-owned Haven Life insurtech company, had been moving this way at a slower pace.

But what happens when a global health emergency renders it virtually impossible to send paramedical testers to peoples’ homes to collect

“Sometimes, we’re a little slower moving because our liabilities live for a long time and so decisions you make now are decisions you have to live with for decades.”

Greg Baxter
MetLife



the blood and urine samples that are part of the traditional underwriting process? Answer: You hasten those baby steps to an all-out trot. In many cases, that’s meant applicants give insurers permission to access recent medical records as a speedier alternative—the vaunted “fluidless underwriting.”

Chris Behling, chief underwriter of life & health, Americas, for Swiss Re, has a phrase he uses these days: the acceleration of the inevitable. He sees the expanded role for technology in life insurance as having three aspects—supporting face-to-face sales, growing fluidless underwriting, and using alternative data streams to streamline the process for both consumers and carriers.

“At the end of this, I think that what we’ve been flirting with as an industry we’re going to marry,” he said. “We’re going to just make it a part of our business as usual going forward.”

The World Health Organization first reported a pneumonia case of unknown origin in China on Dec. 31, 2019 and by March declared the novel coronavirus—the virus that causes the disease COVID-19—as a global pandemic. By early April, the abrupt closures order by governments throughout the U.S. and globally brought commerce to a standstill and prompted AM Best in a market segment report to revise to negative its outlook for the U.S. life sector, citing economic volatility.

While it may still be too early to have precise data on the economic effects, no economist, insurance executive or broker could argue there won’t be fallout.

Scaling Up

Prudential Financial, based in Newark, New Jersey, quickly moved to expand the steps it

was already taking with fluidless underwriting. Salene Hitchcock-Gear, president of individual life insurance, points to the company’s SimplyTerm life product as an example of where the company had been taking digital steps that out of necessity grew by leaps and bounds amid the global lockdown.

At Prudential, Hitchcock-Gear said increased digital efforts now mean that in cases without major medical issues the company can issue new policies at times in just one day — something that was unimaginable in the past. The use of the company’s digital underwriting tools grew by 10% amid the pandemic, she said.

While the company saw an increase in traffic on its website since the pandemic struck, direct electronic-based sales haven’t replaced the traditional broker-based model. The digital efforts have so far sought to bridge that gap and assist those professionals in ushering their clients through the full process, she said. Those efforts include everything from digital applications and underwriting, to the final stages of policy delivery.

“We’ve had that on our road map the last couple of years, but our adoption of those tools as you might suspect right now, when all these things are happening, is much stronger,” she said. “We have moved from about 20% of our business coming this way through our accelerated underwriting process at the end of the year, to over 30% in April and we do expect that as a trend.”

For a large multinational carrier with multiple lines of business, all sorts of thorny jurisdictional issues popped up when charting a new business path amid the lockdowns.

Greg Baxter, executive vice president and chief digital officer at MetLife, said some jurisdictions that still required old-fashioned, wet signatures



“I can’t imagine once we’ve launched a product in three weeks that we ever extend launching a product to a year. I think that becomes the new normal and I think that’s a positive for us.”

Gareth Ross
MassMutual

presented a challenge. Accepting forms that were scanned, not hand-delivered, and with online notarization also proved a challenge, he said.

“All of a sudden those things became either impossible or regulators would be prepared to change protocols and regulations around it,” he said.

Baxter said MetLife also found growing existing digital efforts was the speediest and safest bet. As an example, he said the company was able to migrate the application process for one of its life products in China onto the WeChat social media platform in two weeks, giving customers a seamless experience conducted via social media. Last November, MetLife started a pilot program with accelerated underwriting and is on track to expand it in the fourth quarter, he said.

But the horizon of life insurance is long. In fact, one estimate is that 85% of the companies have closed blocks—policies that were issued but no longer sold—making the issue of discontinued products a very real one in the industry.

“Sometimes, we’re a little slower moving because our liabilities live for a long time and so decisions you make now are decisions you have to live with for decades,” Baxter said. “Making sure you protect the balance sheet is fundamental to the future of the company.”

Will It Last?

Across the United States, the debate around the novel coronavirus has shifted in recent weeks. States are in various stages of lifting the lockdowns and people are now debating the speed and logistics of returning to a more normal pattern. Hitchcock-Gear said the push to digital has been building steam for too long and insurers are too invested in meeting a market-driven need

to see much in the way of backsliding.

“Post-pandemic, I’m sure that relevance of insurance sort of goes back to normal if you will,” she said. “Right now I think there’s heightened awareness, but I do believe we can get back to business as usual in our normal lives but keep some of the benefits of these protocols in place.”

Behling, of Swiss Re, also speaks of the new relevance life insurance is enjoying. He likens the modern insurance environment to buying a new television.

People can do research online and read reviews, and still want to pop into their local electronics store to actually see it. Whether they eventually opt to buy it in person or online, he said, is a personal choice and the larger business world has made room for both options. That’s the model he sees the life insurance industry moving toward.

“We’re a 150-year-old industry and we haven’t been the most innovative industry throughout our history and this pandemic is forcing us to embrace innovations,” he said.

“The consumer has spoken. They want an omnichannel experience. What I mean by that is consumers want to interact with their insurers through a variety of channels and they don’t want to be stuck in one.”

BR

Learn More

Massachusetts Mutual Life Insurance Co. (AM Best # 006695)

Swiss Re Group (AM Best # 085010)

Prudential Insurance Company of America (AM Best #006974)

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THE LEADERS

The past several months have tested the flexibility and creativity of insurance CEOs. The COVID-19 outbreak closed offices and scattered employees, forcing executives to quickly learn how to lead a fully remote workforce.

For our annual special section on Leaders, *Best's Review* asked four industry CEOs how this transition has affected their day-to-day leadership style and which changes they intend to keep post-pandemic. Their stories can be found in "Remote Access."

The Leaders package also includes our ranking of the "Top Global Insurance Brokers," which saw Fanhua Inc. join the list at No. 20. Top-ranked Marsh & McLennan pulled even further ahead in 2019 after acquiring Jardine Lloyd Thompson, the No. 8 broker on last year's list.

"Standing the Test of Time" includes a list of insurers that have maintained a Best's Financial Strength Rating of A or higher for at least 50 years or at least 75 years.

Also included are a series of carrier rankings, including the world's largest insurers.

The Leaders Special Section is sponsored by LexisNexis. Click on the microphone icon or go to www.bestreview.com to listen to the LexisNexis podcast.



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Remote Access

by Kate Smith

Jack Salzwedel parked his car in a deserted three-story parking garage at American Family's campus in Madison, Wisconsin. He walked alone through his building's empty atrium and down its quiet corridors to his office.

Roughly 98% of American Family's employees are working from home as a result of the COVID-19 outbreak. Salzwedel is among them, though he occasionally returns to headquarters when he needs optimal connectivity for virtual meetings.

Kate Smith is managing editor of *Best's Review*. She can be reached at kate.smith@ambest.com.

Insurance CEOs are adjusting to leading a remote workforce. Along the way, they're learning about themselves, their people and what changes they want to continue when the global pandemic ends.

"It's really weird not being able to talk with people in person. I miss that," Salzwedel, the chairman and CEO of American Family, said.

Salzwedel and his fellow insurance CEOs are accustomed to leading through crises—be they natural catastrophes, the Sept. 11 terror attacks or the financial crisis of 2008-09. But the global pandemic upended both their workforces and workplaces, scattering their employees and creating a fully remote environment.

For industry CEOs, several of whom are featured in the following pages, the pandemic has been an eye-opener. It has reminded them of their fundamental roles as leaders—to support their



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“We’ve made the comment that it took COVID and physical distancing to bring us closer as an organization. And I think there’s a lot of truth in that.”

Jack Salzwedel
American Family

people—and taught them new methods of doing so. In many ways, they said, their companies are stronger for it.

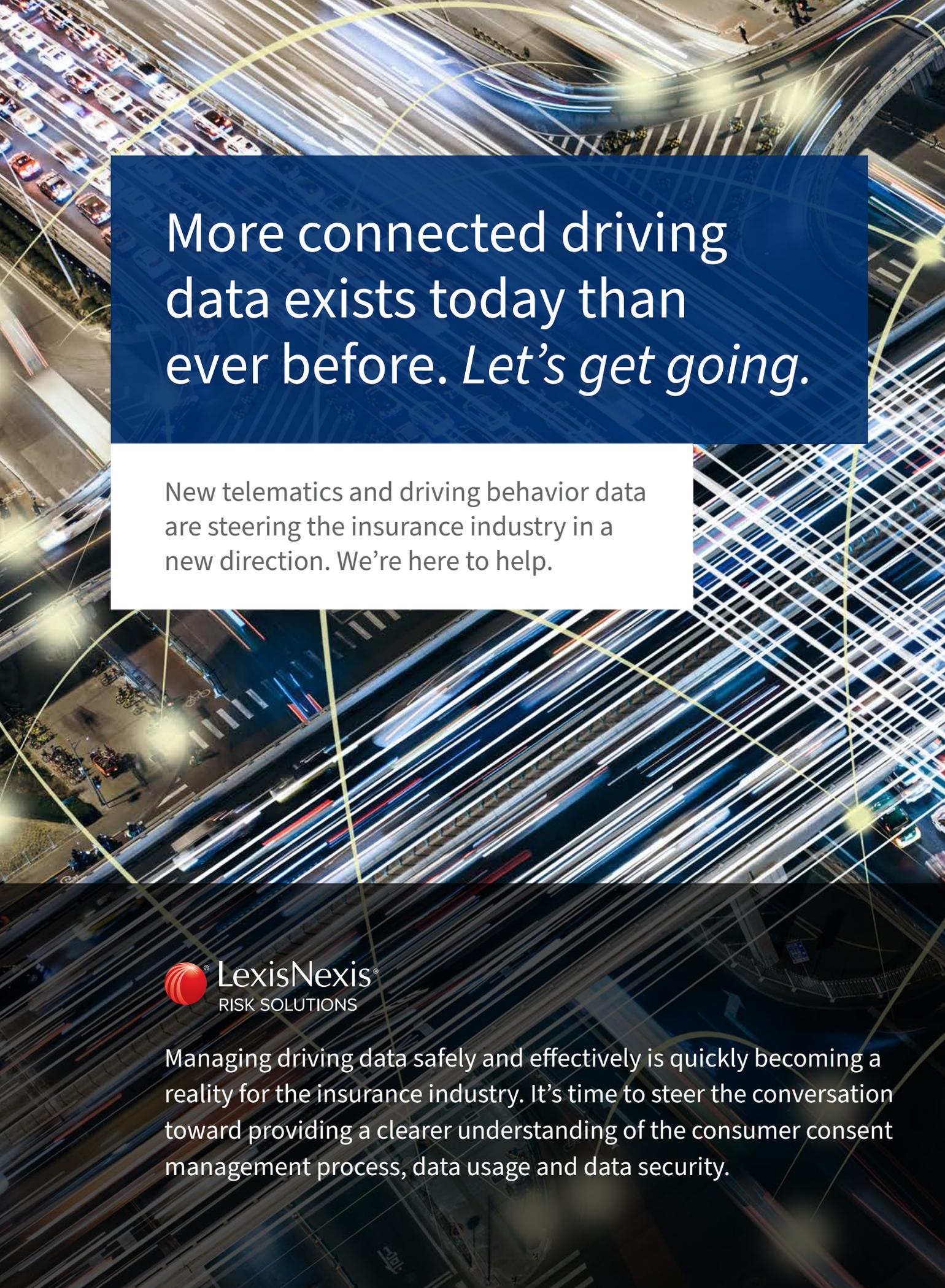
“We’ve made the comment that it took COVID and physical distancing to bring us closer as an organization,” Salzwedel said. “And I think there’s a lot of truth in that.”

Salzwedel and his management team have implemented weekly, all-enterprise huddles via Webex and Zoom. These discussions give employees greater access than ever to senior leaders.

“There are questions about what our executives are doing as they’re sheltering in place. What are the issues they’re dealing with in their personal lives?” Salzwedel said. “It allows our leaders to put a more human face on themselves as they talk to employees about the everyday struggles that they have in their lives as they’re dealing with this digital connection.”

The pandemic has taught Salzwedel something

(Continued on page 44)



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THE LEADERS

(Continued from page 41)

about his employees, too: Don't underestimate their adaptability. "This has definitely taught me another lesson in the ability of the workforce to flex and bend to new things," he said. "If we've got ideas, if we know where we need to go, going there quickly allows people to flex and bend and show what they can do."

The transition to a remote environment proved that.

"Moving from 25% remote to 98% remote, it was difficult. It was a challenge, but I would say I would have thought it would have been much more difficult," Salzwedel said. "If you think about pandemics or recessions, you can think about them as accelerants. For us to get to 98% away from the office, it would have taken us probably five years to make all that happen. It happened within a two-week period."

Step Away

Matt Mosher learned a valuable lesson early in the pandemic: Step away from the computer.

"I got locked into that for a while. You have breakfast, sit down at your computer and you're at the computer all day long," Mosher, the president and CEO of AM Best Rating Services, said. "You have to make sure people don't burn out. You have to make sure to set boundaries as a person."

That's a message Mosher has been pushing since shortly after his organization went remote in March. This crisis, he said, has given him a greater appreciation for the emotional intelligence aspect of leadership.

"I've had to understand people better," he said. "Leading during this crisis is really about dealing with the emotions of people and understanding that the emotions matter. People are dealing with things that are much different than they're used to. Some people have children at home and are trying to get them through their school day while also trying to do work."

"You need to let people know you understand their issues and it's OK if they need to step away for a bit or work different hours."

Operationally, the transition to a work-from-home environment has been smooth, Mosher said. The challenge has been keeping employees connected.

"As we got to weeks four and five, and it started to set in that this is going to be a long haul, it really started to wear on people," Mosher said. "One of my biggest challenges has been keeping people connected."

He started a weekly trivia contest, teams vs. teams, to help on that front and has encouraged his staff to communicate via video rather than phone.

"I'll tell our people, 'Go have coffee together over a Skype call,'" he said. "One of the great things about technology is that you can hit the camera and have a video call. The face-to-face interaction really does help you feel a little bit of a connection."

Mosher said the transition to remote work has been much better than he expected.

"The amount of work people are doing and the effort they're putting in really shows you their commitment," he said. "They really want to help the company to succeed. You just need to give them the opportunity. This has given them the opportunity. It's a challenge. It's a crisis. We



"You need to count on your people and let them go. They will get the job done."

Matt Mosher
AM Best Rating Services



need everybody to pick up. And you know what? Everybody did pick up and they've worked even harder." Seeing that reaffirmed another leadership lesson for Mosher.

"You need to count on your people and let them go," he said. "They will get the job done."

Trial by Fire

John Marchioni had barely settled into the CEO's office before he had to swap it for a home office. One month into his tenure as CEO of Selective Insurance, the state of New Jersey, where Selective is headquartered, issued a stay-at-home order.

"This is not what we had planned for my first quarter in the job," said Marchioni, who was president of Selective before becoming CEO in February. "I felt like I was so prepared. I had worked very closely alongside our recently retired CEO, Greg Murphy. I felt like we had laid out a strategy and were well on the path to executing. This was going to be more about me imprinting on the culture in terms of how I lead."

Instead, Marchioni was thrown into a crisis and had to figure out not just how to imprint on the culture, but how to do so from afar.

Open and frequent communication has been key to that. A year ago, Marchioni started hosting quarterly town halls. No scripts. No presentations. Just honest questions and transparent answers. Now those town halls happen every two weeks.

"People want to understand how the company is doing," Marchioni said. "They want to understand how we're thinking about the current environment, how we're thinking about continuing to manage through this environment, how we're thinking about opening up the offices."

"I've learned that you don't have to have all the answers. In this environment, you're not going to have all the answers. As long as you can articulate what the different outcomes might be and what the different options are for addressing those various outcomes, it makes employees feel good about the path of the organization."

Marchioni also picks up the phone to check in on employees.

"When you're in a physical office, you have those impromptu interactions with employees," he said. "You run into them in the cafeteria, run into them in the hallway, and it generates a conversation that helps build a relationship. You don't have that



"I've learned that you don't have to have all the answers. In this environment, you're not going to have all the answers."

John Marchioni
Selective

opportunity in a virtual environment, so what I've been doing, and I know other senior leaders here are doing on a regular basis, is just calling people. Call them without an agenda, to see how they're doing, see how they're feeling about things, see if they're having any challenges."

Marchioni said it's his responsibility to recognize and understand the stress employees are under during this crisis, and to make sure management supports them.

"Each employee has significant challenges in managing their professional responsibilities and personal responsibilities, and we are offering as much flexibility as possible," he said. "Not just in a work-from-home option, but in what time of day an employee is able to be fully productive."

"We've really forced that issue with our management teams to make sure that flexibility is offered, because people have a lot more challenges to deal with. They want to stay productive. They

THE LEADERS

want to stay engaged. But they need to keep that balance. Recognizing that and offering the greatest flexibility possible has helped alleviate some of the stress for our employees.”

Resilience Planning

Amica has done business resumption drills on a regular basis for the past few years. CEO Robert DiMuccio didn’t always welcome them.

“When your day is busy and somebody says, ‘We’re going to do a half-day drill on business resumption,’ sometimes you think: Do you really need to do that?” DiMuccio said.

It’s a question DiMuccio will never ask again. While pandemic admittedly wasn’t the type of disruption Amica envisioned, the planning exercises paid off when COVID-19 hit.

“All the things we set up for and learned actually provided us a transition plan that worked incredibly well,” he said. “I will now look forward to the tabletop exercises in the future, with excitement.”

Because of those drills, the transition to a remote work environment was smoother than DiMuccio expected. But that doesn’t mean it was easy. Operationally, there were early hurdles to outfitting the entire organization with the proper technology. Once all those computers were connected, the leadership team turned its attention toward keeping employees feeling connected.

“The first challenge was getting us operationally up and running,” DiMuccio said. “The second part of it, very close on, was: How do we maintain our culture of collaboration?”

Constant communication has been a key to that. Employees receive daily emails from the company,

keeping them informed of both big things and small. Internal news is shared to boost morale—whether it’s photos of a manager who dressed as Rosie the Riveter or stories about ongoing recipe exchanges between colleagues.

DiMuccio said employees have rallied during the pandemic, providing the same level of service as pre-COVID-19.

“Three or four times a day we get call stats on how quickly the phones are answered, hold times, that sort of thing,” DiMuccio said. “We’ve been able to hold what we call service levels incredibly well.

“I can’t take any credit for that. The front-line folks have kept that going.”

DiMuccio said the pandemic has reaffirmed his view on the fundamental role of leadership.

“The core of a leader’s job is to make sure everyone around them has the tools they need to do their job. In this case it was transitional tools,” he said. “Truthfully, many times leaders just make sure folks have the tools and get out of the way.

“You have to trust your people, particularly in the field, to know what the culture would want them to do.”

DiMuccio said the pandemic also has reminded him of several other leadership lessons, including the importance of relying on the expertise around you, staying flexible in your decision-making and being open to ideas.

“Good ideas come from all parts of the company,” he said. “We were getting ideas from front-line folks, tech folks, supervisors, managers. Suggestions were coming from all over the place. What this reinforced in me is how important it is, as a leader, to be listening.”

BR



“You have to trust your people, particularly in the field, to know what the culture would want them to do.”

Robert DiMuccio
Amica



Top Global Insurance Brokers

Acrisure LLC and EPIC Insurance Brokers & Consultants each jump two spots in ranking. China-based Fanhua makes a return.

by *Best's Review Staff*

Marsh & McLennan cemented its first-place position in *Best's Review's* Top Global Insurance Brokers ranking with the acquisition of Jardine Lloyd Thompson Group in 2019. Marsh's total revenue jumped to \$17 billion compared to 2018's \$14.95 billion. Second-place Aon Plc had total revenue of \$11 billion.

Marsh noted the JLT deal was the largest in the company's history and expanded business in the U.K., Australia, Asia-Pacific and Latin America. Aon's proposed acquisition of Willis Towers Watson, while a blockbuster deal, did not impact the rankings because it was announced this year.

Rounding out the top five, who also retained their positions from last year, are Willis Towers Watson (\$9.04 billion), Arthur J. Gallagher & Co. (\$7 billion) and Hub International Ltd. (\$2.4 billion.)

Most of the remaining brokers moved up at least one notch due to JLT being folded into Marsh. The two most active movers were Acrisure LLC, which jumped from No. 11 to the No. 9 spot, and EPIC Insurance Brokers & Consultants, which debuted last year at No. 20 and moved to the No. 18 spot in this year's rankings.

Mergers and Acquisitions Impact

Acrisure was named the most active broker for

Top 20 Global Brokers Ranked by 2019 Total Revenue

2019 Ranking	2018 Ranking	Broker	2019 Total Revenue
1	1	Marsh & McLennan Cos.	\$17.00 billion
2	2	Aon Plc	\$11.00 billion
3	3	Willis Towers Watson	\$9.04 billion
4	4	Arthur J. Gallagher & Co.	\$7.00 billion
5	5	Hub International Ltd.	\$2.40 billion
6	7	Brown & Brown Inc.	\$2.39 billion
7	6	Truist Insurance Holdings Inc.*	\$2.27 billion
8	9	Lockton Inc.	\$1.88 billion
9	11	Acrisure LLC**	\$1.88 billion
10	10	USI Insurance Services	\$1.87 billion
11	12	Alliant Insurance Services Inc.	\$1.58 billion
12	13	NFP Corp.	\$1.46 billion
13	14	AssuredPartners Inc.	\$1.43 billion
14	15	AmWINS Group Inc.	\$1.30 billion
15	16	CBIZ Inc.	\$948.40 million
16	17	Hyperion Insurance Group	\$942.00 million
17	18	The Ardonagh Group	\$885.60 million
18	20	EPIC Insurance Brokers & Consultants	\$737.63 million
19	19	AmeriTrust Group Inc.	\$622.85 million
20	--	Fanhua Inc.	\$532.00 million

*Formerly BB&T Insurance Holdings Inc.

**Revenue appears equal due to rounding, but Lockton ranked ahead of Acrisure.

the fifth consecutive year in Optis Partners' year-end M&A update. The Caledonia, Michigan-based broker reported it partnered with 100 agencies in 2019.

Optis Partners reported half of the 10 most active brokers completed fewer mergers and acquisitions in 2019, although the number of deals industrywide increased by six to 649.

Other M&As of note in the 2019 rankings include Hub International's 74 deals including

(Continued on page 50)

THE LEADERS

1. Marsh & McLennan Cos.

Headquarters: New York

Revenues 2019: \$17 billion

Top Executive: Daniel S. Glaser, president and CEO

Top Lines: Marsh advises individual and commercial clients of all sizes on insurance broking and risk management solutions. Guy Carpenter develops risk, reinsurance and capital strategies. Mercer delivers advice and technology-driven solutions for a changing workforce. Oliver Wyman serves as a critical strategic, economic and brand adviser to private sector and governmental clients.

Developments in 2019: The acquisition of Jardine Lloyd Thompson, completed on April 1, 2019, was the largest in the company's history. It added more than 10,000 employees and enhanced the footprint and scale in key geographies and markets—including the U.K., Australia, Asia-Pacific and Latin America. Global reach extended to 130 countries before JLT acquisition/pre-2019. Consolidated revenue for the year increased 11% compared with 2018, the company's highest annual top-line growth in 20 years. It was also the 10th year in a row of underlying growth of 3% or above. Over the past decade, 167 transactions were completed involving approximately \$13 billion of capital deployed. In 2019, even while completing the largest transaction in the company's history, \$500 million was invested in areas of strategic focus, including five acquisitions for Marsh & McLennan Agency.



2. Aon Plc

Headquarters: London

Revenues 2019: \$11 billion

Top Executive: Greg Case, CEO

Top Lines: Commercial risk, reinsurance and retirement solutions

Developments in 2019: Organic revenue growth of 6% was the highest in more than 15 years. The company also made multiple moves to enhance its services for small businesses, including the acquisition of CoverWallet, a digital insurance platform for small-and medium-size companies, and enhanced its cybersecurity expertise with the acquisition of Cytelligence. The biggest news, however, came in early 2020, when the company announced plans to acquire Willis Towers Watson.



3. Willis Towers Watson

Headquarters: London and Arlington, Va.

Revenues 2019: \$9.04 billion

Top Executive: John Haley, CEO

Top Lines: Human Capital and Benefits; Corporate Risk and Broking; Investment, Risk and Reinsurance; Benefits Delivery and Administration

Developments in 2019: Total revenue increased 6%. The company, which is being acquired by Aon, completed a number of acquisitions. Among them were the purchase of Canadian investment management company Integra Capital Limited and the acquisition of health care organization Tranzact, which links consumers with U.S. insurers. A political risk program also was launched backed by \$1 billion of market capacity.



4. Arthur J. Gallagher & Co.

Headquarters: Rolling Meadows, Ill.

Revenues 2019: \$7 billion

Top Executive: J. Patrick Gallagher Jr., chairman, president and CEO

Top Lines: Property; casualty; commercial auto; professional liability; workers' compensation

Developments in 2019: Completed 49 acquisitions with estimated annualized revenue of \$468 million, including Jardine Lloyd Thompson Group's global aerospace operations. Adopted a new lease accounting standard for all leases effective Jan. 1, 2019, using the modified retrospective approach allowing the company to initially apply the new lease standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of retained earnings in the first quarter of 2019. Right-of-use assets (\$393.5 million at Dec. 31, 2019) and lease liabilities—noncurrent (\$340.9 million at Dec. 31, 2019) were added to the balance sheet in 2019 related to this new standard.



5. Hub International Ltd.

Headquarters: Chicago

Revenues 2019: \$2.4 billion

Top Executive: Marc Cohen, president and CEO

Top Lines: Commercial and personal; employee benefits; retirement and private wealth; risk services

Developments in 2019: Completed a record-breaking 74 deals; established two new regional hubs—Hub Great Plains and Hub Mid-South, accelerating Hub's reach and services; acquired 13 Canadian brokerages and announced six strategic services to provide end-to-end benefits that address the challenges Canadian employers are facing in their benefits offerings to achieve their recruiting, retention and cost management goals; strengthened the retirement and private wealth services in the U.S. with the addition of talent and resources from nearly a dozen firms to develop a more comprehensive solution for clients.



6. Brown & Brown Inc.

Headquarters: Daytona Beach, Fla.

Revenues 2019: \$2.39 billion

Top Executive: J. Powell Brown, president and CEO

Top Lines: Middle and upper middle-market property/casualty, employee benefits, personal and professional lines—retail, national programs, wholesale and specialty third-party administrative services

Developments in 2019: Delivered growth of 18.8%, organic growth of 3.6%, and maintained industry-leading margins over 30%. Completed 23 acquisitions with annualized revenues of approximately \$105 million—Hays Companies completed first full-year post-acquisition and performed well. Named new head of technology, innovation, and data strategy to further enhance capabilities and risk management solutions.



7. Truist Insurance Holdings Inc. (formerly BB&T Insurance Holdings Inc.)

Headquarters: Charlotte, N.C.

Revenues 2019: \$2.27 billion

Top Executive: John M. Howard, chairman and CEO

Top Lines: Commercial property/casualty; employee benefits; life

Developments in 2019: A record year with significant progress on the company's transformation plan and delivered peer-leading 8% organic revenue growth and 283 bps of margin expansion;





differentiated through investment in data and analytic platforms REDY and MAP; rebuilt core technologies to improve operational efficiency; implemented cross-selling initiatives to realize opportunities presented through its parent company's merger with SunTrust Bank.

8. Lockton Inc.

Headquarters: Kansas City, Mo.

Revenues 2019: \$1.88 billion

Top Executive: Ron Lockton, chairman

Top Lines: Risk management (property/casualty insurance), employee benefits, retirement services, affinity programs

Developments in 2019: Peter Clune announced as next CEO; Ron Lockton named next chairman. Hiram Marrero named president, global growth officer; Said Taiym named U.S. chief operating officer. Launched Lockton Re LLC. Globalized the Lockton brand and introduced a new tagline, Uncommonly Independent. Opened new locations in Pittsburgh and Michigan.



9. Acrisure LLC

Headquarters: Caledonia, Mich.

Revenues 2019: \$1.88 billion

Top Executive: Greg Williams, co-founder, CEO and president

Top Lines: Commercial (60%), benefits (20%), personal (10%)

Developments in 2019: Further expanded by partnering with 100 agencies. The company also entered into a joint venture with Tulco Labs to form Altway Insurance and furthered its focus on technology innovation, including data and analytic initiatives to fuel data-driven growth opportunities for its entire network.



10. USI Insurance Services

Headquarters: Valhalla, N.Y.

Revenues 2019: \$1.87 billion

Top Executive: Michael J. Sicard, chairman and CEO

Top Lines: Commercial property/casualty, employee benefits, personal risk, retirement solutions, programs/wholesale

Developments in 2019: Strong organic growth and expansion of USI's platform and market share, including property/casualty, employee benefits, personal risk, retirement, programs and wholesale. Next generation innovation of USI ONE Advantage and large-scale hiring of new talent, including next generation AI innovation of USI's proprietary Omni Knowledge Engine, and large-scale investment and expansion of new talent hiring, training and development.



11. Alliant Insurance Services Inc.

Headquarters: Newport Beach, Calif.

Revenues 2019: \$1.58 billion

Top Executive: Thomas W. Corbett, chairman and CEO

Top Lines: Property/casualty (specialty vertical niches and middle market); personal lines; employee benefits; retirement services; underwriting

Developments in 2019: Continued its national expansion through organic growth, acquisitions, and the procurement of top brokerage talent. Grew to encompass more than 4,000 employees in over 110 offices throughout the United States. Completed numerous acquisitions, including: AFN Insurance Brokers, Buck & Affiliates, Degginger McIntosh, Fred Daniel &



Sons, Innova Risk Management, InvisionBenefit, North County Insurance, and TCOR Management.

12. NFP Corp.

Headquarters: New York

Revenues 2019: \$1.46 billion

Top Executive: Doug Hammond, chairman and CEO

Top Lines: Property/casualty, corporate benefits, individual solutions

Developments in 2019: Enhanced diversity and inclusion and elevating women leaders. Promoted Ginnette Quesada-Kunkel to chief human resources officer and Mary Steed to chief people officer, adding two more women to the C-suite. Promoted Kim Davis to chief diversity and inclusion officer and added her to the board. Closed 40 acquisitions and formed Wealthspire Advisors, a \$10 billion RIA. Expanded in the Canadian market to grow capabilities, relationships and employee base. Launched "Insights from the Experts," an annual series where we look closely at issues, insights and trends impacting our industry to shape our advice across corporate benefits, property/casualty, retirement, wealth management, etc.



13. AssuredPartners Inc.

Headquarters: Lake Mary, Fla.

Revenues 2019: \$1.43 billion

Top Executive: Jim Henderson, chairman and CEO

Top Lines: Commercial and personal property/casualty represented 60% of the business with a focus on construction, senior living, aerospace, transportation, professional liability and real estate. Employee benefits for large and small employers generated 25% of the revenue. Services, mainly focused on public entities, generated the remainder of the revenue.

Developments in 2019: Generated organic growth in excess of 5% due to the realization of internal initiatives that were developed in prior years. The acquisition program continued with the addition of 53 operations. Many of the acquisitions allowed the firm to enter into new regions or add scale within the targeted industry verticals.



14. AmWINS Group Inc.

Headquarters: Charlotte, N.C.

Revenues 2019: \$1.3 billion

Top Executive: Scott M. Purviance, CEO

Top Lines: Commercial property/casualty; employee benefits; niche programs

Developments in 2019: Completed four acquisitions, two in the group benefits space, greatly expanding the firm's medical stop loss brokerage and small group general agency capabilities. Additionally, AmWINS generated organic growth of approximately 16%.



15. CBIZ Inc.

Headquarters: Cleveland

Revenues 2019: \$948.4 million

Top Executive: Jerome P. Grisko Jr., CEO, president

Top Lines: Group health benefits, property/casualty insurance, retirement plan consulting, payroll, human resources consulting services

Developments in 2019: Strong demand for core services, combined with incremental work resulting from tax reform and other regulatory changes, enabled the company to record a very solid year of financial performance. The benefits



THE LEADERS

and insurance services business continued to gain traction due to efforts to attract and develop new talent coupled with a strong focus on client stewardship and retention.

16. Hyperion Insurance Group

Headquarters: London

Revenues 2019: \$942 million

Top Executive: David Howden, CEO

Top Lines: Broking group (Howden and RKH), underwriting division DUAL and data and technology business, Hyperion X

Developments in 2019: The broking group saw organic growth of 11%. The merger of Howden and RKH combines strengths of group's international broking operations and fast-growing employee benefits practice. It continued its rapid expansion through investments across a number of jurisdictions in the last financial year, including Belgium, Colombia, France, Malaysia, Norway, Tanzania, Thailand, Spain and the U.K., strengthening its presence in each market. Its underwriting business, DUAL, is the largest international MGA, writing over \$1 billion in gross written premium from 36 offices across 16 countries providing its carriers with access to specialty markets through more than 6,500 broker partners and on behalf of over 60 carriers globally. Hyperion X was formed in January 2019 to drive the digital transformation across Hyperion, enabling decisions based on real-time, accurate data. It has recruited leading talent from within and outside of the industry and focuses on three key specialisms: Hyperion X Analytics, xTrade Digital Marketplace, and Know How.



17. The Ardonagh Group

Headquarters: London

Revenues 2019: \$885.60 million

Top Executive: David Ross, CEO

Top Lines: Corporate, advisory, retail and wholesale insurance broking, health care, digital personal insurance, specialist underwriting

Developments in 2019: Towergate, the U.K. commercial broking business, completed the rollout of Acturis in 2019. All in-scope branches have now completed a full annual renewal cycle on a single system. In health, Ardonagh integrated Chase Templeton and The Health Insurance Group with Towergate Health and Protection into what is now a six-site business with 25,000 SME clients, making it the largest broker in the field. In retail it integrated Swinton onto Atlanta's digital platform, launching more personal lines products online and broadening the panel. In Specialty it invested in a minority stake of Sino Insurance Brokers HK to build APAC regional strategy.



Ardonagh Portfolio Solutions was launched to optimize placement strategy and deliver better outcomes for clients.

18. EPIC insurance Brokers & Consultants

Headquarters: San Francisco

Revenues 2019: \$737.63 million

Top Executive: Steve Denton, CEO

Top Lines: Property and casualty, employee benefits, specialty programs

Developments in 2019: Acquisition of Integro USA and Prime Risk Partners.



19. AmeriTrust Group Inc.

Headquarters: Southfield, Mich.

Revenues 2019: \$622.85 million

Top Executive: Kenn R. Allen, CEO

Top Lines: Property managers; fabrication and assembly; manufacturing, alternative risk vehicles; professional liability; and entertainment

Developments in 2019: Dave Sheeran assumed the role of president of Meadowbrook Agency operations; book equity for producers; development of producer-centric teams; executive support and new financial rewards for cross-selling.



20. Fanhua Inc.

Headquarters: Guangzhou, China

Revenues 2019: \$532 million

Top Executive: Chunlin Wang, CEO and chairman

Top Lines: Life insurance; property and casualty; and claims adjusting

Developments in 2019: Despite the challenges amidst industrywide adjustment, delivered solid and healthy growth. Operating income grew 36.9% year-over-year to RMB 114.1 million (\$16.3 million) in the fourth quarter, bringing the total operating income to RMB 469.4 million (\$67.2 million), representing a growth of 10.2% year-over-year, in line with previous estimate. Life insurance business segment recorded robust growth of 39.3% year-over-year in total gross written premiums to RMB 8.6 billion (\$1.2 billion), of which first year premiums grew by 28.2% to RMB 3.1 billion (\$443.6 million) and renewal premiums were up 46.6% to RMB 5.5 billion (\$787.1 million) while annualized premiums equivalent (for 20 years) were approximately RMB 2.0 billion (\$286.2 million), up 5.0% year-over-year.



(Continued from page 47)

13 Canadian brokerages; Brown & Brown's 23 acquisitions and AssuredPartner's 53 deals.

Name Change

BB&T Insurance Holdings became Truist Insurance Holdings in 2019. Truist is the name of the combined company created by the merger of BB&T and SunTrust Bank.

The two companies partnered with Interbrand, a global brand consultancy, to lead in the development of the new name and brand identity, according to a company statement. "The rigorous, data-driven

brand development process prioritized input from BB&T associates, SunTrust teammates and clients. Through focus groups and analytical research, these stakeholders shared their expectations and aspirations for the new brand, which led to the name Truist," the broker said in an email.

Making a Return

After its last appearance in the 2017 ranking, Fanhua returned in the No. 20 spot. The China-based broker debuted in the 2009 ranking as CNInsure. The name change to Fanhua occurred in 2016.

Information for the Top Global Insurance Brokers was submitted by the companies.

BR



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Standing the Test of Time

STANDING THE TEST OF TIME

A 147-year-old property/casualty insurer joined the ranks of companies that have maintained a Best's Financial Strength Rating of A or higher for at least 75 years.

by Lori Chordas

In 1861, the tiny Swiss town of Glarus was hit by a great fire that razed more than 500 homes, rendered 3,000 citizens homeless and signaled what at that time was a lack of adequate insurance coverage in the nation.

Lori Chordas is a senior associate editor. She can be reached at lori.chordas@ambest.com.

Property/Casualty Insurers Rated A or Higher for 75 Years

AMB#	Company Name	First Year Rated	A or Better Since	A or Better Consecutive Years	Rating
003263	Swiss Reinsurance America Corp	1945	1945	75	A+
002034	American Home Assurance Co	1906	1944	76	A
002086	Vigilant Insurance Company	1943	1943	77	A++
002131	Transportation Insurance Co	1941	1941	79	A
000348	Erie Insurance Exchange	1928	1939	81	A+
002022	American Family Mutual Ins Co	1931	1939	81	A
002178	Associated Indemnity Corp	1926	1939	81	A+
002276	Economy Fire & Casualty Co	1922	1939	81	A
002477	State Farm Fire & Casualty Co	1939	1939	81	A++
002357	Nationwide Mutual Fire Ins Co	1938	1938	82	A+
002182	National Surety Corporation	1922	1937	83	A+
002361	Illinois National Insurance Co	1926	1937	83	A
003152	Otsego Mutual Fire Ins Co	1926	1938	83	A+
000700	New York Central Mutual Fire	1925	1936	85	A
000974	Western Surety Company	1922	1935	85	A
002054	Cambridge Mutual Fire Ins Co	1923	1935	85	A+
002359	21st Century Pacific Ins Co	1922	1936	85	A
002381	Ohio Farmers Insurance Co	1911	1935	85	A
002035	Insurance Co of the State PA	1907	1934	86	A
002177	American Insurance Company	1907	1934	86	A+
002351	National Union Fire Ins Co PA	1907	1934	86	A
002382	Westfield Insurance Company	1930	1934	86	A
000384	Federated Mutual Insurance Co	1920	1934	87	A+
000694	New Jersey Manufacturers Ins	1922	1934	87	A+
002176	American Automobile Ins Co	1915	1933	87	A+
000558	Lititz Mutual Insurance Co	1932	1932	88	A
003260	Mutual Assurance Society of VA	1922	1933	88	A
002249	COUNTRY Mutual Insurance Co	1931	1931	89	A+
000826	Selective Ins Co of America	1930	1930	90	A
002229	Hartford Casualty Ins Co	1930	1930	90	A+
002287	American States Insurance Co	1930	1930	90	A
002358	Nationwide Mutual Ins Co	1929	1929	91	A+
002446	First National Ins Co of Amer	1929	1929	91	A
002479	State Farm Mutual Auto Ins Co	1927	1929	91	A++
002349	AIG Property Casualty Company	1907	1928	92	A
002385	Pacific Indemnity Company	1928	1928	92	A++
000228	CSAA Insurance Exchange	1927	1927	93	A
000918	Tri-State Insurance Co of MN	1927	1927	93	A+
002198	General Reinsurance Corp	1925	1928	93	A++
000934	United Services Auto Assn	1927	1927	94	A++
002232	Hartford Underwriters Ins Co	1926	1926	94	A+
002447	General Ins Co of America	1926	1926	94	A
002452	St. Paul Fire & Marine Ins Co	1926	1926	94	A++
000662	Montgomery Mutual Ins Co	1922	1925	95	A

(Continued on page 53)

In the aftermath of the tragic event, Swiss insurer Helvetia General Insurance Company joined forces with Basler Handelsbank in Basel and the Schweizerische Kreditanstalt bank in Zurich, which is today known as Credit Suisse, to create a company that could provide an effective way of coping with those risks.

After Swiss Reinsurance Company of Zurich opened its doors in 1863 and made its mark in Switzerland and across Europe, company executives set their sights on the American market. In 1873, the company began covering risks for Helvetia in San Francisco.

Swiss Re continued to expand its reach into America, and in 1995 renamed its U.S. operations Swiss Reinsurance America Corp.

In 2019, Swiss Re America became the newest member of property/casualty companies that have stood the test of time by retaining an A or higher Best's Financial Strength Rating for at least 75 years, joining State Farm Mutual Auto, NJ Manufacturers and Amica Mutual, among others.

Coming to America

In 1910, Swiss Re opened its first American branch in New York to write fire business, which was followed a year later with the launch of European Accident, the first U.S. casualty reinsurance company that later became known as European General Reinsurance.



Swiss Re America was incorporated July 26, 1940 under the laws of New York, and operated as a wholly owned subsidiary of European General's U.S. branch until Sept. 30, 1950, according to AM Best. At that time, ownership of stock was transferred to its parent company's home office in London and European General's U.S. branch assets were absorbed while Swiss Re America assumed its liabilities. Stock ownership, AM Best reports, was then transferred to Swiss Re in Zurich, which conveyed the stock to U.S. citizens as trustees.

Swiss Re has over the years earned and validated its place in the U.S. during monumental events such as the 1906 San Francisco earthquake. The company suffered more losses from the event than any other reinsurer, but its rapid payment of claims confirmed Swiss Re's mark and reputation in the American market.

The company was also the reinsurer of the ill-fated Titanic that sank during its maiden voyage to New York in 1912, and in 2001 was the lead insurer of the World Trade Center during the Sept. 11 attacks. That event led Swiss Re into a lengthy and acrimonious court battle with the center's owner, Silverstein Properties. The owner claimed the terrorist attack on the twin towers was a double event, which meant he could potentially collect twice on the policy.

However, in 2006, a New York appeals court ruled in

Property/Casualty Insurers Rated A or Higher for 75 Years

(Continued from page 52)

AMB#	Company Name	First Year Rated	A or Better Since	Consecutive Years Rated A or Better	Rating
002360	Granite State Insurance Co	1907	1925	95	A
002179	Fireman's Fund Insurance Co	1918	1924	96	A+
000149	Munich Reinsurance America Inc	1922	1923	97	A+
000414	Germantown Mutual Ins Co	1922	1923	97	A
002085	Great Northern Insurance Co	1923	1923	97	A++
000320	Pharmacists Mutual Ins Co	1922	1922	98	A
000347	Westport Insurance Corp	1922	1922	98	A+
000371	Farmers Mutual Ins Co of NE	1922	1922	98	A
000387	Fidelity and Deposit Co of MD	1922	1922	98	A+
000465	Hartford Steam Boiler I & I	1922	1922	98	A++
000796	Quincy Mutual Fire Ins Co	1922	1922	98	A+
002097	Euler Hermes NA Insurance Co.	1922	1922	98	A+
002128	Continental Casualty Company	1922	1922	98	A
002230	Hartford Accident & Indem Co	1922	1922	98	A+
002394	Peerless Insurance Company	1922	1922	98	A
002162	Amica Mutual Insurance Co	1922	1922	99	A+
002235	Twin City Fire Insurance Co	1916	1921	99	A+
002055	Merrimack Mutual Fire Ins Co	1920	1920	100	A+
002129	National Fire Ins Hartford	1907	1914	106	A
002213	Great American Insurance Co	1908	1908	112	A+
002084	Federal Insurance Company	1907	1907	113	A++
002231	Hartford Fire Insurance Co	1907	1907	113	A+
002363	New Hampshire Insurance Co	1907	1907	113	A

Source: AM Best data and research. Ratings as of May 13, 2020

Property/Casualty Insurers Rated A or Higher for 50 Years

AMB#	Company Name	First Year Rated	A or Better Since	Consecutive Years Rated A or Better	Rating
002251	Indiana Farmers Mutual Ins	1933	1969	51	A
004043	Westfield National Ins Co	1969	1969	51	A
004049	USAA Casualty Insurance Co	1970	1970	51	A++
000188	Auto-Owners Insurance Co	1922	1968	52	A++
000900	Hawkeye-Security Insurance Co	1967	1968	52	A
002065	American Commerce Insurance Co	1951	1968	52	A
002453	St. Paul Mercury Insurance Co	1968	1968	52	A++
000422	Grange Insurance Company	1940	1968	53	A
002023	Amer Standard Ins Co of WI	1967	1967	53	A
002407	Progressive Casualty Ins Co	1960	1967	53	A+
003030	Hiscox Insurance Company Inc.	1958	1967	53	A
003521	Great American Alliance Ins Co	1950	1967	53	A+
000595	Mercury Casualty Company	1967	1967	54	A
002186	America First Insurance Co	1966	1966	54	A

(Continued on page 54)

Property/Casualty Insurers Rated A or Higher for 50 Years

(Continued from page 53)

AMB#	Company Name	First Year Rated	A or Better Since	Consecutive Years Rated A or Better	Rating
002350	Lexington Insurance Company	1966	1966	54	A
002542	Inland Insurance Company	1965	1966	55	A
000708	North Carolina Farm Bureau Mut	1958	1963	58	A
002050	Standard Guaranty Ins Co	1962	1962	58	A
002284	Lightning Rod Mutual Ins Co	1962	1962	58	A
000860	Pioneer State Mutual Ins Co	1962	1962	59	A+
002476	State Farm County Mut of Texas	1961	1961	59	A++
000464	Hastings Mutual Insurance Co	1928	1961	60	A
002014	AMCO Insurance Company	1960	1960	60	A+
002285	Western Reserve Mutual Cas	1955	1960	60	A
002286	American Economy Insurance Co	1960	1960	60	A
002540	Mount Vernon Fire Ins Co	1960	1960	60	A++
004000	Commerce and Industry Ins Co	1958	1958	62	A
000594	Merchants Bonding Co (Mutual)	1953	1958	63	A
003073	Generali USB	1957	1957	63	A
002053	Bay State Insurance Company	1956	1956	64	A+
002290	American States Ins Co of TX	1956	1956	64	A
002323	Midwestern Indemnity Company	1956	1956	64	A
002297	Universal Underwriters Ins Co	1955	1955	65	A+
002448	Safeco Ins Co of America	1955	1955	65	A
002541	United States Liability Ins Co	1922	1955	65	A++
000258	Cincinnati Insurance Company	1955	1955	66	A+
000886	Tennessee Farmers Mutual Ins	1953	1954	66	A+
002428	National Fire & Marine Ins Co	1954	1954	66	A++
002429	National Indemnity Company	1947	1953	67	A++
000714	North Star Mutual Ins Co	1953	1953	68	A+
002005	Alfa Mutual Insurance Company	1953	1953	68	A
002049	American Security Insurance Co	1950	1952	68	A
000259	Church Mutual Ins Co S.I.	1950	1951	69	A
000971	Continental Western Ins Co	1918	1951	69	A+
002004	Great American Assurance Co	1908	1951	69	A+
002532	Union Insurance Company	1921	1951	69	A+
002543	Universal Surety Company	1952	1952	69	A
002132	Valley Forge Insurance Co	1948	1950	70	A
002127	American Cas Co Reading, PA	1922	1949	71	A
002210	Great Amer Ins Co of New York	1918	1949	71	A+
002393	Netherlands Insurance Co	1906	1949	71	A
000203	Barnstable County Mut Ins Co	1922	1949	72	A
000540	Kentucky Farm Bureau Mutual	1949	1949	72	A
000354	Farm Bureau Prop & Cas Ins Co	1946	1946	74	A

Source: AM Best data and research. Ratings as of May 13, 2020

favor of Swiss Re, citing the destruction of the World Trade Center, which was insured for \$3.5 billion, was a single event.

Over the past several decades Swiss Re America has grown both organically and through acquisitions such as the purchase of Life Re Corp's life operations in 1998 and its 2006 acquisition of GE Insurance Solutions.

Over the past five years the company's earnings have largely continued on an upward trajectory. In 2019 the company reported \$15.8 billion in assets compared to 2015's \$12.8 billion. Net income grew in 2019 to \$843 million from \$389 million in 2015, according to AM Best. Over the past five years net premiums dipped slightly from close to \$2 billion in 2015 to 2019's \$1.9 billion.

By premium income, the Americas, with \$15 billion, is Swiss Re's second-largest market, preceded only by Asia at \$16 billion, Swiss Re Ltd. CEO Christian Mumenthaler told investors at the company's investor day conference last November.

Attaining Distinction

Standing the Test of Time lists all property/casualty and life/health companies that have retained an A or higher Best's Financial Strength rating for 50 years or more and those who held the rating for at least 75 years in 2019.

On the life/health side, 17 companies were part of this group for at least 75 years.



Another 19 life/health companies kept their A or higher rating intact for a 50 years or more.

In the 75 years or more range, 67 property/casualty companies have stood the test of time, and 54 property/casualty companies held that title for 50 years or more in 2019.

Some companies have reached a higher level of distinction in retaining their A or higher rating.

Property/casualty insurers Federal Insurance Co., Hartford Fire Insurance Co. and New Hampshire Insurance Co. have maintained the rating for 113 consecutive years.

On the life/health side, Principal Life Insurance Co., Northwestern Mutual Life Insurance Co. and Penn Mutual Life Insurance Co. maintained their A or higher rating from AM Best for 93 consecutive years.

Life/Health Debuts

Lafayette Life Insurance Co. and Southern Farm Bureau Life Insurance were newcomers to the list of life/health companies with an A or higher rating for at least 50 years.

At the turn of the 20th century, several businessmen dreamed of building a company that could provide the best possible insurance protection at an affordable cost. On Dec. 26, 1905, Lafayette Life was born as a mutual company headquartered in America's heartland in Lafayette, Indiana.

In the following decades companies across all

Life/Health Insurers Rated A or Higher for 75 Years

AMB#	Co Name	First Year Rated	A or Better Since	Consecutive Years Rated A or Better	Rating
006493	Canada Life Assurance Company	1928	1945	75	A+
006087	American National Ins Co	1928	1941	79	A
006724	Minnesota Life Insurance Co	1928	1940	80	A+
006664	Lincoln National Life Ins Co	1928	1940	81	A+
006688	Manufacturers Life Ins Co	1928	1939	81	A+
006695	Massachusetts Mutual Life Ins	1928	1939	81	A++
006962	Protective Life Insurance Co	1928	1940	81	A+
006244	Columbus Life Insurance Co	1928	1938	82	A+
006294	COUNTRY Life Insurance Company	1933	1933	87	A+
006704	Metropolitan Life Ins Co	1928	1928	92	A+
006820	New York Life Insurance Co	1928	1928	92	A++
006974	Prudential Ins Co of America	1928	1928	92	A+
007069	Standard Insurance Company	1928	1928	92	A
007243	Western & Southern Life Ins Co	1928	1928	92	A+
006150	Principal Life Insurance Co	1928	1928	93	A+
006845	Northwestern Mutual Life Ins	1928	1928	93	A++
006903	Penn Mutual Life Insurance Co	1928	1928	93	A+

Source: AM Best data and research. Ratings as of May 13, 2020

Life/Health Insurers Rated A or Higher for 50 Years

AMB#	Co Name	First Year Rated	A or Better Since	Consecutive Years Rated A or Better	Rating
006617	Lafayette Life Insurance Co	1928	1970	50	A+
007053	Southern Farm Bureau Life Ins	1952	1970	50	A+
006827	North American Co for L&H Ins	1922	1969	51	A+
006058	American General Life Ins Co	1928	1968	52	A
006742	Transamerica Premier Life Ins	1928	1965	55	A
006852	Ohio National Life Ins Co	1928	1964	56	A
007112	Teachers Ins & Annuity Assoc	1928	1964	56	A++
006468	Banner Life Ins Co	1955	1963	57	A+
007168	United Farm Family Life Ins Co	1950	1961	59	A
006885	Pacific Life Insurance Company	1928	1959	61	A+
007192	United States Life Ins in NY	1928	1959	61	A
006629	Liberty National Life Ins Co	1934	1958	62	A+
007164	United of Omaha Life Ins Co	1931	1956	65	A+
006812	Nationwide Life Ins Co	1935	1954	66	A+
007080	State Farm Life Insurance Co	1934	1954	66	A++
006605	Kansas City Life Ins Co	1928	1952	68	A
006109	American United Life Ins Co	1936	1950	70	A+
006508	Guardian Life Ins Co of Amer	1928	1947	73	A++
007101	Sun Life Assur Co of Canada	1928	1946	74	A+

Source: AM Best data and research. Ratings as of May 13, 2020

THE LEADERS

industries were tested by the Great Depression and two world wars. But Lafayette Life stood the test of time and proved its resilience during challenging times. The insurer, although under no obligation, paid the war claims of World War I casualties. It also assisted real estate owners and farmers during the Great Depression by allowing delinquent mortgage holders to deed their farms to Lafayette Life, which then leased the land back to the owners to allow them to keep their insurance, farms and dignity.

In 2000, Lafayette Life, which today offers life and annuity products for individuals and small businesses, reorganized into a mutual insurance holding company structure in order to add structural flexibility, retain its mutual culture, enhance its ability to engage in mergers and acquisitions and access the capital markets to grow and remain competitive with its peers.

Five years later, the company underwent another big change when it aligned with Western & Southern Financial Group, a family of financial services companies whose heritage dates back to 1888.

The impact of that strategic alliance, Lafayette Life said, has provided its company with greater resources and made it stronger and more competitive.

Last year, Lafayette Life's assets climbed to nearly \$5.8 billion, compared to \$4.5 billion in 2015, according to AM Best. Net earned premiums

also increased slightly during that time from \$533 million in 2015 to \$575 million in 2019. The number of independent producers and marketing organizations offering the company's products has grown to 7,600 from 6,000 in 2015, according to Lafayette Life.

In 1946, the idea for another U.S. life insurance and annuity provider germinated during a candlelight meeting in the Jefferson Davis Hotel in Montgomery, Alabama.

A year later, Southern Farm Bureau Life was born as a capital stock life insurance company. That year, the company issued its first policy and paid its first claim in the amount of \$5,000.

Since then, Southern Farm Bureau Life has continued to grow its book of business, including the sale of individual term and whole life products and annuity contracts to more than 2.8 million families in 11 states. In 2018, the company reached a milestone of \$150 billion of life insurance in force.

Southern Farm Bureau Life has and continues to be defined by three characteristics: sound, secure and strong. Those key attributes were represented as three branches in the company's first logo, a tree, unveiled in 1947.

While the company continues to operate under that foundation, in 1988, in an attempt to eliminate the sense of fragmented branding that many companies felt at the time, the insurer unified its advertising mark to serve all of its participating companies, augmenting it with the shared brand

Best's Ratings

The Rating History Project is based on Best's Financial Strength Ratings. A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract of obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

AM Best was founded in 1899 with the purpose of performing a constructive and objective role in the insurance industry toward the prevention and detection of insurer insolvency. This mission led to the development of Best's Ratings, which are now recognized worldwide as the benchmark of assessing insurers' financial strength. Best's Ratings' opinions reflect an in-depth understanding of business fundamentals garnered for more than 100 years of focusing solely on the insurance industry. This is one reason why insurance industry professionals have consistently ranked Best's Ratings No. 1 in confidence, usefulness and understanding.

A Best's Rating is an independent third-party evaluation that subjects all insurers to the same rigorous criteria, providing a valuable benchmark for comparing insurers, regardless of their country of domicile. Such a benchmark is increasingly important to an international market that looks for a strong indication of stability in the face of widespread deregulation, mergers, acquisitions and other dynamic factors.



positioning statement, “Helping You Is What We Do Best.” The logo is still used today and can be seen at events in the many communities the company serves.

In 2019, Southern Farm Bureau Life’s assets stood at \$14.7 billion, a \$1.4 billion rise since 2015, while net premiums topped \$891 million, according to AM Best.

Last year, individual annuity sales comprised more than 91% of the company’s net premiums.

114-Year Tradition

For 114 years, AM Best has been issuing Financial Strength Ratings or opinions on the ability of individual insurers to pay claims on the coverage they have underwritten.

A select group of carriers has consistently maintained strong Financial Strength Ratings for the past 50 and 75 years.

To identify the companies with the longest record of consistent financial strength, AM Best analysts pored over the rating agency’s proprietary data—primarily Best’s Key Rating Guides and Best’s Insurance Reports—to accumulate and verify ratings and other pertinent data dating back to 1905.

AM Best’s Rating Scale has changed over time in an ongoing effort to increasingly distinguish the relative financial strength of insurers and adapt to changes in the insurance industry.

Therefore, in certain circumstances it was necessary to translate or convert various older

ratings to conform to the present rating scale. (Note that these translations do not represent any material change or re-evaluation of a company’s rating; they are merely a conversion from one scale to another).

The original rating system, implemented in 1906, was devised by the company’s founder, Alfred M. Best.

In 1921, a new rating scale, General Policyholder Ratings, replaced the previously used Desirability Ratings, which applied only to property/casualty insurers.

Desirability Ratings consisted of two components: a loss-paying record, ranked on an alpha scale with “A” being the best; and a rating of management quality on a numeric scale with “1” being the best.

An Evolving Process

The rating scale adopted in 1932 had two components: the New Resource Rating, the forerunner of today’s Financial Size Category; and the General Policyholders Rating, which evolved into today’s Financial Strength Ratings.

From 1935 to 1975, AM Best did not assign letter ratings to life/health companies. Instead they had “comments.”

In order to complete this rating history project, a translation was devised to convert these “comments” to equivalent letter ratings. For example, from 1935 to 1952, “More than Ample” was found to be equivalent to today’s “A” rating. BR

Anniversary BestMark

AM Best has a program to recognize insurance companies that have maintained a Financial Strength Rating of A or higher for at least 25 years.

The Anniversary BestMark program consists of a special icon—distinct from the standard BestMark—that incorporates the company’s name and acknowledges the year a company first achieved the Financial Strength Rating of A or higher.

Print and internet-compatible versions of the icon will be supplied.

Eligible companies can use this icon in a manner similar to the current BestMark—for example, on their websites, in print and online advertising, and on the cover of *Best’s Rating Report* reprints.

Eligible companies may request an Anniversary BestMark via email to bestmarkinsurers@ambest.com.



**YOUR COMPANY
NAME HERE**

THE LEADERS

Top 200 U.S. P/C Writers

Top 200

U.S. Property/Casualty Writers

Industry's net premiums written increased 3.2%.

Ranked by 2019 net premiums written.
(\$ Thousands)

2019 Rank	2018 Rank	Company/Group	AMB#	NPW	% Change	2019 Rank	2018 Rank	Company/Group	AMB#	NPW	% Change
1	1	State Farm Group	000088	65,100,455	-0.6	27	40	Allianz US PC Ins Companies	018429	4,091,021	53.6
2	2	Berkshire Hathaway Ins	000811	53,754,763	7.9	28	30	Kemper PC Companies	018908	4,042,228	8.5
3	3	Progressive Ins Group	000780	37,578,689	15.2	29	28	CSAA Ins Group	018460	4,031,220	1.5
4	4	Allstate Ins Group	000008	34,036,467	5.4	30	32	FM Global Group	018502	4,007,616	10.4
5	5	Liberty Mutual Ins Cos	000060	32,268,379	1.4	31	36	Markel Corp Group	018468	3,809,277	21.6
6	6	Travelers Group	018674	27,214,083	5.5	32	31	MetLife Auto & Home Group	003933	3,797,476	2.0
7	7	USAA Group	004080	22,981,339	6.9	33	34	Mercury Gen Group	004524	3,690,508	6.7
8	8	Chubb INA Group	018498	18,249,079	-6.7	34	29	Zurich Ins US PC Group	018549	3,657,532	-6.7
9	9	Nationwide Group	005987	17,992,806	-0.8	35	35	Assurant US PC Companies	018924	3,000,087	-6.7
10	10	Amer Intl Group	018540	14,826,888	1.5	36	38	QBE North America Ins Group	005658	2,937,088	4.8
11	11	Farmers Ins Group	000032	14,493,557	3.3	37	37	Arch Ins Group	018484	2,908,209	-0.2
12	12	Hartford Ins Group	000048	11,871,251	3.2	38	41	Selective Ins Group	003926	2,679,424	6.6
13	13	Amer Family Ins Group	000124	11,841,650	4.3	39	39	Old Republic Ins Group	000734	2,670,167	-1.0
14	14	Auto-Owners Ins Group	004354	8,585,830	7.4	40	44	COUNTRY Financial PC Group	000302	2,564,827	6.9
15	17	Fairfax Financial (USA) Group	003116	7,632,626	9.8	41	50	Natl Gen Companies	018863	2,494,927	11.3
16	16	Erie Ins Group	004283	7,478,390	5.5	42	43	Auto Club Group	000312	2,473,773	3.0
17	19	Tokio Marine US PC Group	018733	7,083,699	5.2	43	33	AXA U.S. Group	018557	2,441,804	-30.3
18	20	CNA Ins Cos	018313	6,953,530	5.9	44	47	Sentry Ins Group	000086	2,440,418	6.7
19	18	Munich-Amer Hldg Corp Cos	018753	6,639,450	-2.5	45	45	Amica Mutual Group	018522	2,294,966	-3.3
20	21	W. R. Berkley Ins Group	018252	6,131,338	7.1	46	46	Sompo Hldgs US Group	018878	2,264,197	-1.9
21	22	Everest Re US Group	005696	5,797,634	14.8	47	57	PartnerRe US Group	018470	2,142,127	35.6
22	23	Cincinnati Ins Cos	004294	5,379,896	6.9	48	42	AmTrust Group	018533	2,083,893	-16.5
23	24	Alleghany Corp Group	018640	5,344,634	14.5	49	54	State Auto Ins Cos	000856	2,027,918	8.9
24	26	Great Amer P & C Ins Group	004835	4,689,656	7.9	50	15	Swiss Reins Group	003262	2,023,929	-72.2
25	25	Hanover Ins Group Prop & Cas Cos	004861	4,580,867	4.2	51	52	NJM Ins Group	003985	2,006,683	1.6
26	27	Auto Club Enterprises Ins Group	018515	4,546,591	5.3	52	49	State Ins Fund WC Fund	004029	1,996,372	-11.5

**U.S. Property/Casualty Writers**Ranked by 2019 net premiums written.
(\$ Thousands)

2019 Rank	2018 Rank	Company/Group	AMB#	NPW	% Change	2019 Rank	2018 Rank	Company/Group	AMB#	NPW	% Change
53	48	AXIS US Operations	018777	1,932,319	-14.8	91	96	Church Mutual Ins Group	018887	845,741	9.5
54	53	EMC Ins Cos	000346	1,910,680	1.5	92	93	Palisades Group	018426	840,768	6.6
55	56	Shelter Ins Cos	000598	1,907,802	4.1	93	97	Genworth PC Group	018694	818,540	7.1
56	51	MAPFRE North America Group	018801	1,863,845	-16.2	94	92	FCCI Ins Group	018290	810,502	0.5
57	62	SCOR US Group	003873	1,848,964	28.9	95	98	Michigan Farm Bureau PC Companies	018942	803,206	6.6
58	67	Starr Intl Group	018756	1,806,920	36.0	96	95	Arbella Ins Group	018220	801,023	2.2
59	55	Westfield Group	000730	1,803,649	-1.7	97	91	Amerisure Cos	004071	795,474	-2.9
60	60	Federated Mutual Group	004284	1,649,373	11.5	98	94	Safety Group	018080	794,408	1.0
61	58	AF Group	018680	1,617,767	8.2	99	101	Penn Natl Ins Cos	000766	749,617	2.1
62	61	Acuity, A Mutual Ins Co	000468	1,582,349	7.8	100	107	Western Natl Ins Group	018885	733,092	9.6
63	59	Southern Farm Bureau Cas Group	004237	1,509,107	1.3	101	102	Central Ins Cos	000246	720,489	2.2
64	65	Amer Natl Prop & Cas Group	002947	1,430,047	4.7	102	103	Frankenmuth Ins Group	018496	715,161	3.0
65	63	Farm Bureau P&C Group	004233	1,417,693	2.3	103	104	United Ins Group	018881	706,827	2.6
66	64	TN Farmers Ins Cos	018154	1,413,657	3.2	104	105	Horace Mann Ins Group	004934	680,261	0.2
67	66	Alfa Ins Group	000106	1,326,984	-2.4	105	106	ProAssurance Group	018559	679,060	1.1
68	71	West Bend Mutual Ins Co	000964	1,275,968	9.1	106	111	Secura Ins Cos	018381	669,032	7.5
69	70	Grange Ins Pool	003917	1,274,202	5.9	107	108	Andover Companies Pool	000166	656,469	2.6
70	69	Texas Farm Bureau Group	018754	1,254,578	3.9	108	109	Grinnell Mutual Group	005727	648,848	1.5
71	75	IAT Ins Group	018567	1,238,639	16.0	109	99	Employers Ins Group	018602	645,519	-13.1
72	73	Intact US Ins Group	018458	1,202,199	6.7	110	112	Citizens Property Ins Corporation	011712	638,990	3.7
73	68	State Compensation Ins Fund	004028	1,191,289	-10.1	111	113	United Farm Bureau of Indiana Group	004232	625,095	3.7
74	80	ICW Pool	002967	1,142,082	14.9	112	117	Loya Ins Group	018785	611,738	6.4
75	78	Utica Natl Ins Group	004202	1,131,097	8.8	113	115	CopperPoint Ins Group	018724	609,825	2.3
76	72	TX Mutual Ins Co	011453	1,107,238	-3.5	114	118	NYCM Ins Group	018562	603,934	5.7
77	76	United Fire & Cas Group	003875	1,096,730	3.3	115	123	FMH Ins Group	018171	603,172	22.5
78	74	Encova Mutual Ins Group	018236	1,092,778	1.3	116	110	Pinnacol Assur	003471	597,049	-5.4
79	84	Argo Group	004019	1,090,173	20.7	117	114	Pekin Ins Group	000754	591,388	-1.4
80	77	KY Farm Bureau Group	003281	1,059,496	0.2	118	126	Germania Mutual Group	003876	563,068	18.5
81	81	Radian Group	018150	1,057,681	6.7	119	121	Essent Guar Group	018805	556,138	8.8
82	79	Mortgage Guar Group	003014	1,001,148	0.6	120	124	Ally Ins Group	018431	555,768	15.3
83	127	Aspen US Ins Group	018783	937,992	99.5	121	122	Wawanesa Gen Ins Co	011976	548,776	8.8
84	82	CUMIS Ins Society Group	018704	930,654	0.3	122	116	Plymouth Rock Cos	018066	544,587	-7.4
85	86	NC Farm Bureau Ins Group	018279	927,856	5.0	123	100	RenaissanceRe US Group	018932	533,875	-27.9
86	83	Doctors Co Ins Group	018083	917,599	0.9	124	119	AmeriTrust Group	018132	519,823	-2.0
87	85	Donegal Ins Group	003168	916,803	1.6	125	120	SAIF Corp	003480	508,621	-2.1
88	89	Universal Ins Hldgs Group	018752	869,645	5.1	126	134	GuideOne Ins Cos	003918	497,072	13.1
89	90	RLI Group	003883	860,337	4.5	127	153	Hallmark Ins Group	018605	496,552	36.5
90	88	ProSight Specialty Group	000419	850,789	0.6	128	125	Pemco Mutual Ins Co	002415	491,160	2.7

THE LEADERS

U.S. Property/Casualty Writers

Ranked by 2019 net premiums written.
(\$ Thousands)

2019 Rank	2018 Rank	Company/Group	AMB#	NPW	% Change	2019 Rank	2018 Rank	Company/Group	AMB#	NPW	% Change
129	128	Universal Ins Group of Puerto Rico	018672	485,871	6.4	167	157	AMERISAFE Ins Group	018211	324,465	-5.2
130	132	Toa Reins Co of America	001730	476,751	8.3	168	166	MAG Mutual Companies	018940	319,206	8.8
131	136	Global Indemnity Group	018669	473,806	11.6	169	170	WCF Ins Group	018894	308,109	9.8
132	129	VT Mutual Group	000951	472,221	5.4	170	164	WT Hldgs Group	018936	306,030	1.5
133	138	Brotherhood Mutual Ins Co	000221	462,370	10.9	171	165	MS&AD US Ins Group	018782	302,839	1.1
134	140	Heritage Ins Hldgs Group	018891	459,847	12.1	172	169	Securian Cas Co	011605	300,959	6.6
135	130	Protective Ins Corp Group	005686	450,929	1.9	173	168	Milo Trust Group	018764	293,455	1.0
136	141	CA Earthquake Authority	012534	447,467	9.8	174	171	VA Farm Bureau Group	000952	288,363	4.8
137	154	Greater NY Group	003326	446,013	23.2	175	200	Natl Mortgage Ins Group	018824	287,134	34.2
138	147	Coverys Companies	018359	444,835	13.3	176	226	Triton Ins Co	003298	281,526	63.7
139	137	Enumclaw Ins Group	018586	429,446	2.4	177	186	Highmark Cas Ins Co	010086	277,713	13.4
140	180	HDI/Talanx US PC Group	018907	425,101	67.0	178	182	Canal Group	003930	276,632	10.9
141	163	HIIG Group	018717	421,700	39.4	179	181	Nodak Ins Group	018543	274,797	8.7
142	131	FedNat Ins Group	018925	417,867	-5.2	180	173	Caterpillar Ins Co	012406	272,568	1.4
143	150	North Star Companies	003914	409,262	6.1	181	185	Merchants Ins Group	000590	269,152	9.8
144	156	MCIC Vermont (A RRRG)	012014	404,170	17.8	182	177	MO Farm Bureau Group	004235	265,750	3.8
145	144	GA Farm Bureau Group	018071	398,506	-0.9	183	167	GE Capital PC Group	018949	264,059	-9.3
146	151	CA Cas Group	003335	389,581	3.8	184	183	Ohio Mutual Ins Group	003348	263,872	5.8
147	152	Farmers Mutual Ins Co of NE	000371	386,167	5.3	185	178	IMT Ins Cos	005718	262,935	3.1
148	148	Beazley USA Ins Group	018934	385,269	-1.9	186	175	Preferred Mutual Ins Co	000774	262,792	0.6
149	162	Amer Agricultural Ins Co	003133	384,695	19.8	187	216	Sirius America Ins Group	018890	257,708	41.6
150	155	Hiscox USA Group	018750	381,213	9.2	188	187	Norfolk & Dedham Group Pool	000706	254,049	4.1
151	135	Quincy Mutual Group	018437	379,368	-11.1	189	218	Fortegra P&C Group	018686	252,792	40.2
152	133	Amer Access Cas Co	012428	370,196	-15.9	190	174	Nuclear Electric Ins Ltd	011284	252,660	-3.6
153	142	Safeway Ins Group	000459	361,405	-11.0	191	172	Lancer Ins Group	018670	248,748	-8.9
154	146	Hastings Mutual Ins Co	000464	360,019	-8.8	192	188	MO Employers Mutual Ins Co	011718	244,831	0.7
155	160	Norcal Group	018539	358,623	9.2	193	192	Pioneer State Mutual Ins Co	000860	244,632	8.2
156	143	Assured Guar Group	004017	352,454	-13.2	194	184	ID State Ins Fund	003472	238,882	-4.2
157	158	Builders Mutual Ins Group	018729	351,934	3.0	195	196	Jewelers Mutual Ins Group	018905	238,485	10.1
158	161	Amer Transit Ins Co	004660	349,485	6.7	196	193	IN Farmers Mutual Ins Co	002251	237,597	5.7
159	159	MGA Ins Co, Inc	002854	342,986	1.6	197	197	Dorinco Reins Co	003771	233,237	7.8
160	189	Kinsale Ins Co	014027	342,061	45.2	198	194	Farm Bureau of ID Group	002903	231,921	3.7
161	145	Memic Group	018524	341,657	-14.9	199	212	Pacific Specialty Ins Group	018576	231,310	23.1
162	149	Safe Auto Ins Group	018937	341,638	-11.8	200	205	HCI Ins Group	018848	228,488	14.3
163	176	Amer Pet Ins Co	013860	336,386	30.6	Top 200 Writers			616,021,945	3.3	
164	87	Enstar Ins Group	018802	335,032	-60.8	Total U.S. P/C Industry			642,501,232	3.2	
165	321	Root Ins Co	012356	331,841	351.2	Note: Data for some companies in this report has been received from the NAIC.					
166	139	AU Hldg Co Group	018943	326,046	-21.3	Source: Statement File –  – P/C, US; Data as of June 1, 2020					



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Top 200

U.S. Life/Health Insurers

Top 200 Life/Health Insurers

Industry's admitted assets increased 8.2%.

Ranked by 2019 admitted assets.
(\$ Thousands)

2019 Rank	2018 Rank	Company/Group	AMB#	Total Adm. Assets (\$000)	% Change	2019 Rank	2018 Rank	Company/Group	AMB#	Total Adm. Assets (\$000)	% Change
1	1	Prudential of America Group	070189	\$634,595,223	9.8	27	29	Global Atlantic Group	069786	69,923,563	16.1
2	2	Metropolitan Life & Affiliated Cos	070192	427,561,094	4.4	28	27	Genworth Finl Companies	070527	68,206,294	1.0
3	3	New York Life Group	069714	344,669,365	6.1	29	30	Amer Equity Investment Group	070406	59,303,406	8.2
4	4	TIAA Group*	070362	328,219,075	3.9	30	32	Securian Finl Ins Group	069565	57,367,215	21.4
5	5	AIG Life & Retirement Group	070342	308,075,032	8.6	31	28	Great-West Life Group	070366	54,628,460	-12.9
6	6	Northwestern Mutual Group	069515	290,428,110	6.7	32	33	Western & Southern Finl Group	069754	50,730,658	7.7
7	7	Lincoln Finl Group	070351	286,344,340	12.0	33	31	Venerable Ins & Annuity Co	008388	50,251,785	-1.1
8	8	Massachusetts Mutual Life Group	069702	279,977,589	9.9	34	35	RGA Group	069611	44,936,998	11.0
9	9	John Hancock Life Insurance Group	069542	274,503,716	10.9	35	36	Symetra Life Group	070123	44,816,148	12.1
10	10	Jackson Natl Group	069578	269,516,663	13.7	36	38	Great Amer Life Group	069545	43,017,331	11.0
11	12	AXA Equitable Group	070194	221,342,502	14.0	37	34	Unum Ins Group	069743	41,980,760	1.3
12	11	Aegon USA Group	069707	214,534,556	6.6	38	40	Oneamerica Group	070399	41,234,122	11.5
13	13	Principal Finl Group Inc.	020516	210,161,368	13.6	39	37	Delaware Life Ins Group	069798	40,054,607	0.6
14	15	Nationwide Mutual Life Group	070822	195,158,238	14.5	40	39	Allstate Life Group	070106	38,653,634	0.8
15	14	Brighthouse Ins Group	070516	194,644,731	8.6	41	41	ERAC Group	070421	37,525,934	5.5
16	16	Allianz Life Ins Group	070187	162,158,730	11.7	42	43	Security Benefit Group	069882	36,945,140	8.4
17	18	Pacific Life Group	069720	152,901,693	12.8	43	42	Cigna Life Group	070173	36,425,718	6.8
18	17	Voya Finl Group	070153	150,100,513	8.3	44	46	Fidelity Investments Group	070020	36,116,466	18.4
19	19	Talcott Resolution Group	070116	122,040,892	3.5	45	45	Mutual of Omaha Group	070203	34,805,813	13.3
20	20	Ameriprise Finl Group	069689	113,489,439	9.0	46	47	Natl Life Group	069953	31,464,761	12.2
21	21	Sammons Enterprises Group	070533	103,946,100	4.7	47	44	OH Natl Life Group	069717	31,388,242	-5.6
22	22	Thrivent Finl for Lutherans	006008	102,221,368	8.7	48	48	Penn Mutual Group	069722	30,504,390	11.8
23	23	Athene US Life Group	070478	97,881,964	16.8	49	53	Meiji Yasuda US Life Group	070499	27,536,769	11.4
24	26	Protective Life Group	069728	87,420,762	17.8	50	52	Fidelity & Guaranty Life Group	070403	27,415,636	9.0
25	24	State Farm Life Group	070126	81,833,204	4.9	51	49	USAA Life Group	070364	27,105,925	3.9
26	25	Guardian Life Group	069685	80,162,193	6.1	52	50	Knights of Columbus	006616	26,860,592	5.6

THE LEADERS

U.S. Life/Health Insurers

Ranked by 2019 admitted assets.
(\$ Thousands)

2019 Rank	2018 Rank	Company/Group	AMB#	Total Adm. Assets (\$000)	% Change	2019 Rank	2018 Rank	Company/Group	AMB#	Total Adm. Assets (\$000)	% Change
53	51	Wilton Re Group	070435	25,808,842	2.0	91	92	Kemper Life & Health Group	070340	4,691,699	5.5
54	55	Ameritas Life Group	069790	25,695,601	10.3	92	90	Cincinnati Life Ins Co	006568	4,674,764	3.1
55	58	Berkshire Hathaway Group	070158	25,650,417	13.1	93	93	Kansas City Life Group	069692	4,341,170	1.6
56	56	Amer Natl Group	070166	24,352,092	6.0	94	94	Continental Gen Ins Co	007360	4,297,282	2.1
57	54	UnitedHealth Life Companies	069973	24,225,066	1.9	95	96	Union Labor Life Ins Co	007152	4,284,760	10.1
58	57	Sun Life Finl Group	069740	24,015,112	4.7	96	95	Auto-Owners Life Ins Co	006140	4,201,091	5.1
59	61	Mutual of America Life Ins Co	008851	23,658,085	16.1	97	97	Physicians Mutual Group	069724	4,034,018	4.1
60	59	CNO Group	069862	23,349,690	4.5	98	99	AAA Life Group	070388	3,832,946	7.6
61	60	Aetna Life Group	070202	23,094,529	8.4	99	98	Advantage Capital Life Group	070486	3,653,933	-2.8
62	64	CMFG Life Group	070262	21,608,115	17.3	100	100	Independent Order of Foresters USB	006551	3,534,072	5.3
63	63	EquiTrust Life Ins Co	060315	20,735,507	11.5	101	103	Savings Bank Mutual Life Ins Co of MA	006696	3,407,592	11.1
64	62	Globe Life Group	070443	19,514,092	3.7	102	101	Pan-Amer Life Ins Group	069617	3,400,401	4.3
65	65	Nassau Ins Companies	070510	18,418,166	0.2	103	102	Homesteaders Life Co	006534	3,213,162	4.7
66	66	Hannover Life Reassur America	068031	17,527,200	3.4	104	106	GBU Finl Life	008161	3,089,848	12.2
67	67	Modern Woodmen of America	006737	17,340,647	5.2	105	104	Combined A&H Group	070178	2,851,570	2.4
68	70	Tokio Marine US Life Group	069195	17,264,227	14.0	106	105	Security Mutual Life Ins Co of NY	007034	2,830,113	2.3
69	69	Aflac U.S. Group	069824	15,426,194	0.7	107	111	Prosperity Life Group	070471	2,779,385	8.6
70	72	Zurich Amer Life Group	070470	15,264,777	8.2	108	108	Michigan Farm Bureau Life Companies	070563	2,752,973	3.8
71	71	Southern Farm Bureau Life Ins Co	007053	14,730,990	3.1	109	115	Foresters Life Ins & Annuity Co	006413	2,725,014	10.4
72	68	Swiss Re Life Group	070469	12,901,198	-19.6	110	114	Erie Family Life Ins Co	007276	2,677,484	7.2
73	73	Hartford Life & Accident Ins Co	007285	12,877,681	-0.2	111	112	LifeCare Assur Co	009200	2,673,939	5.1
74	74	Kuvare US Group	070534	12,365,902	-3.9	112	113	Manhattan Ins Group	070357	2,578,645	1.4
75	75	Natl Western Life Group	070553	11,379,467	-3.8	113	109	Assurity Life Ins Group	070511	2,572,339	-2.1
76	76	Woodmen of World Life Ins Soc	007259	11,101,466	1.4	114	110	Amer Enterprise Group	070369	2,569,821	-0.8
77	77	COUNTRY Finl Life Companies	070571	10,424,241	3.8	115	116	IN Farm Bureau Group	070368	2,499,967	2.6
78	79	Farm Bureau Life Group	070472	9,341,093	2.4	116	118	Liberty Bankers Group	070410	2,448,748	7.6
79	81	Sentry Life Ins Group	070125	8,384,603	16.2	117	119	Oxford Group	070367	2,410,906	7.1
80	80	Munich Amer Group	069170	8,016,328	-1.6	118	117	TN Farmers Life Ins Co	008443	2,398,767	4.3
81	78	Horace Mann Life Companies	070561	7,992,086	-19.2	119	121	MedAmerica Group	070054	2,180,109	0.2
82	82	Lombard Life Group	070450	7,374,323	8.7	120	123	SCOR Life US Group	070253	2,176,840	1.3
83	83	Assurant US Life Companies	070135	6,812,452	5.9	121	125	Federated Life Ins Co	006381	2,139,616	6.6
84	84	Amer Fidelity Group	069640	6,756,068	8.9	122	122	Deseret Mgmt Corp Group	070573	2,096,857	-3.1
85	86	Legal & Gen America Group	069539	6,213,032	13.4	123	127	GCU	009807	2,052,334	8.5
86	85	Americo Life Group	069676	6,030,082	6.3	124	124	Primerica Group	070183	2,042,266	1.7
87	89	Calton Hldgs Group	070530	5,520,874	16.0	125	133	Sagicor Life Ins Co	006057	2,037,280	27.8
88	87	Amer Family Life Ins Co	006052	5,454,250	3.4	126	135	Universal Life Ins Co	060097	1,949,967	22.6
89	88	Farmers New World Life Ins Co	006373	5,260,856	4.2	127	126	Trustmark Ins Group	069845	1,940,964	1.3
90	91	NGL Ins Group	070358	4,723,174	4.7	128	128	BC & BS of KS Grp	070031	1,939,774	9.3



U.S. Life/Health Insurers

Ranked by 2019 admitted assets.
(\$ Thousands)

2019 Rank	2018 Rank	Company/Group	AMB#	Total Adm. Assets (\$000)	% Change	2019 Rank	2018 Rank	Company/Group	AMB#	Total Adm. Assets (\$000)	% Change
129	129	Columbian Finl Group	069961	1,771,369	0.5	167	376	Oceanview Life & Annuity Co	060701	646,077	999.9
130	147	Anthem Life Cos	070064	1,757,336	55.4	168	168	MO Farm Bureau Life Group	070823	635,884	5.5
131	172	Equitable Life & Casualty Group	070518	1,719,380	212.7	169	167	United Heritage Life Ins Co	006472	626,855	3.8
132	132	Catholic Finl Life	008188	1,678,943	1.6	170	166	Regal Reins Group	070345	617,756	-1.1
133	130	Dearborn Life Ins Group	069637	1,669,766	-1.0	171	169	Motorists Life Ins Co	006744	595,507	0.9
134	134	Boston Mutual Group	069993	1,666,731	4.6	172	180	Investors Preferred Life Ins Co	061763	569,435	17.9
135	131	Centre Life Ins Co	007367	1,591,491	-5.3	173	174	Cooperativa de Seguros de Vida de PR	007607	553,812	3.2
136	136	Pekin Life Ins Group	070155	1,548,739	3.0	174	190	Trinity Life Group	070465	550,138	37.2
137	137	Alfa Life Ins Corp	006293	1,543,933	5.6	175	177	Amer Slovenian Catholic Union	009876	520,368	1.4
138	139	Funeral Directors Group	070016	1,532,397	7.4	176	178	Croatian Fraternal Union of America	006298	491,289	0.6
139	138	IL Mutual Life Ins Co	006542	1,530,661	4.8	177	175	Centurion Life Ins Co	006276	489,780	-4.9
140	140	Amica Life Ins Co	007464	1,361,219	2.9	178	186	Companion Life Ins Group	070446	488,133	16.6
141	144	Natl Slovak Society of the US	009813	1,317,899	8.7	179	182	William Penn Assn	007249	486,387	4.0
142	142	Shelter Life Ins Co	006675	1,308,792	2.7	180	176	USAble Life	009350	476,223	-7.5
143	141	Baltimore Life Ins Co	006143	1,306,405	0.8	181	181	Citizens Inc Group	069688	469,037	0.2
144	150	Amer Health & Life Ins Co	006062	1,281,565	23.5	182	187	LifeSecure Ins Co	060645	467,119	12.3
145	143	Gleaner Life Ins Society	006459	1,277,562	2.8	183	185	Natl Farm Group	070400	431,241	1.9
146	145	Catholic Order of Foresters	006191	1,212,063	0.8	184	183	Everence Fraternal Group	070463	431,081	-1.7
147	146	Catholic Life Ins	008827	1,207,953	1.3	185	184	Polish Natl Alliance of the US of NA	006939	430,829	-0.2
148	149	Royal Neighbors of America	007010	1,104,742	3.5	186	188	Fidelity Lf Assn A Legal Reserve Life Co	006386	420,515	3.3
149	151	Lincoln Heritage Life Ins Co	006694	1,092,253	5.6	187	192	First Catholic Slovak Union of USA & CA	009804	416,525	7.5
150	148	Pavonia Life Ins Co of Michigan	009129	1,061,292	-3.6	188	189	Amer Fidelity Life Ins Co	006055	401,121	0.0
151	155	IA Amer Life Group	070453	1,030,983	6.6	189	179	M Life Ins Co	009096	395,383	-18.9
152	153	First Catholic Slovak Ladies USA	009869	1,029,597	3.9	190	173	Geneve Hldgs Group	070537	385,236	-28.3
153	154	Catholic United Finl	009605	1,001,195	3.2	191	193	Central States H & L Group	070363	381,698	-1.1
154	152	Fidelity Security Life Ins Group	069812	981,512	-5.1	192	198	Best Meridian Ins Co	060007	376,194	7.4
155	158	New Era Group	070009	960,760	2.4	193	194	Pacific Century Life Ins Corp	060335	366,127	0.1
156	161	ELCO Mutual Life and Annuity	008005	941,430	7.2	194	202	Berkley Life & Health Ins Co	006579	363,125	12.0
157	157	GPM Life Group	070452	941,069	-1.1	195	199	Universal Guar Life Ins Co	007199	348,982	0.8
158	156	Centene Life Group	070505	907,317	-5.0	196	195	Sons of Norway	007047	345,973	-3.9
159	159	EMC Natl Life Co	006339	886,518	-2.5	197	201	Natl Mutual Benefit	006794	344,960	0.8
160	160	Security Natl Life Group	070382	871,658	-3.8	198	200	Trans World Assur Co	007136	342,234	-0.4
161	171	Investors Heritage Life Ins Co	006580	833,298	49.0	199	206	Unity Finl Life Ins Co	006454	323,881	7.3
162	162	HM Life Insurance Group	070359	788,106	5.9	200	204	5 Star Life Ins Co	008069	310,615	2.8
163	163	Triple-S Vida Life Group	070077	746,954	12.4	Top 200 Insurers			\$7,552,737,388		8.3
164	170	Crown Global Ins Co of Amer	061740	713,500	22.4	Total U.S. Life/Health Industry			\$7,566,859,159		8.2
165	164	WEA Ins Corp	009506	701,850	6.1	*TIAA's assets are significantly understated. Most of its separate account assets are in its affiliate, CREF.					
166	165	Guarantee Trust Life Ins Co	006503	679,862	6.4	Note: Data for some companies in this report has been received from the NAIC. Source: Statement File - - L/H, US; Data as of: June 2, 2020					

THE LEADERS

Top 75 N.A. Public Insurers

Top 75

North American Public Insurers Ranked by 2019 Assets

Rank	AMB#	Company Name	2019 Total Assets (\$000)	2018 Total Assets (\$000)	% Change
1	058182	Prudential Financial, Inc.	896,552,000	815,078,000	10.0%
2	058334	Berkshire Hathaway Inc.	817,729,000	707,794,000	15.5%
3	058175	MetLife, Inc.	740,463,000	687,538,000	7.7%
4	066866	Manulife Financial Corporation	619,267,646	550,316,276	7.8%
5	058702	American International Group, Inc.	525,064,000	491,984,000	6.7%
6	050910	Great-West Lifeco, Inc.	345,300,664	313,705,605	5.5%
7	058709	Lincoln National Corporation	334,761,000	298,147,000	12.3%
8	058179	Principal Financial Group, Inc.	276,087,800	243,036,100	13.6%
9	051409	AXA Equitable Holdings, Inc.	249,870,000	220,797,000	13.2%
10	050913	Sun Life Financial Inc.	227,463,551	199,382,386	9.3%
11	046498	Brighthouse Financial, Inc.	227,259,000	206,294,000	10.2%
12	058106	UnitedHealth Group Incorporated	173,889,000	152,221,000	14.2%
13	050817	Voya Financial Inc.	169,051,000	155,430,000	8.8%
14	058003	Aflac Incorporated	152,768,000	140,406,000	8.8%
15	050542	Ameriprise Financial, Inc.	151,828,000	137,216,000	10.6%
16	058312	The Allstate Corporation	119,950,000	112,249,000	6.9%
17	058470	The Travelers Companies, Inc.	110,122,000	104,233,000	5.6%
18	059780	Genworth Financial, Inc.	101,342,000	100,923,000	0.4%
19	050177	Loews Corporation	82,243,000	78,316,000	5.0%
20	058180	Anthem, Inc.	77,453,000	71,571,000	8.2%
21	058089	Reinsurance Group of America, Incorporated	76,731,000	64,535,000	18.9%
22	058707	The Hartford Financial Services Group, Inc.	70,817,000	62,307,000	13.7%
23	058364	Fairfax Financial Holdings Limited	70,508,500	64,372,100	9.5%
24	058317	American Financial Group, Inc.	70,130,000	63,456,000	10.5%
25	050750	American Equity Investment Life Holding Company	69,696,552	61,625,564	13.1%
26	058110	Unum Group	67,013,400	61,875,600	8.3%
27	058454	The Progressive Corporation	54,895,300	46,575,000	17.9%
28	051156	Assurant, Inc.	44,291,200	41,089,300	7.8%
29	051149	Centene Corporation	40,994,000	30,901,000	32.7%
30	058405	Markel Corporation	37,473,815	33,306,263	12.5%
31	058030	CNO Financial Group, Inc.	33,630,900	31,439,800	7.0%
32	058052	Humana Inc.	29,074,000	25,413,000	14.4%
33	058009	American National Insurance Company	28,597,566	26,912,353	6.3%
34	058309	Alleghany Corporation	26,931,604	25,344,896	6.3%
35	058496	W. R. Berkley Corporation	26,643,428	24,895,977	7.0%

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THE LEADERS

Rank	AMB#	Company Name	2019 Total Assets (\$000)	2018 Total Assets (\$000)	% Change
36	058103	Globe Life Inc.	25,977,460	23,095,722	12.5%
37	058704	Cincinnati Financial Corporation	25,408,000	21,935,000	15.8%
38	051160	Intact Financial Corporation	24,714,682	20,875,859	13.5%
39	033745	OneMain Holdings, Inc.	22,817,000	20,090,000	13.6%
40	058439	Old Republic International Corporation	21,076,300	19,327,100	9.1%
41	058453	Primerica, Inc.	13,688,531	12,595,048	8.7%
42	050708	Ambac Financial Group, Inc.	13,320,000	14,589,000	-8.7%
43	058711	Kemper Corporation	12,989,100	11,544,900	12.5%
44	046134	National Western Life Group, Inc.	12,553,447	11,931,691	5.2%
45	058505	The Hanover Insurance Group, Inc.	12,490,500	12,399,700	0.7%
46	058706	Horace Mann Educators Corporation	12,478,704	11,031,896	13.1%
47	052894	First American Financial Corporation	11,519,167	10,630,635	8.4%
48	058366	Fidelity National Financial, Inc.	10,677,000	9,301,000	14.8%
49	058512	FBL Financial Group Inc.	10,480,206	9,833,630	6.6%
50	052590	National General Holdings Corp.	9,756,534	9,439,280	3.4%
51	058466	Selective Insurance Group, Inc.	8,797,150	7,952,729	10.6%
52	058406	MBIA Inc.	7,284,000	8,107,000	-10.2%
53	058348	Radian Group Inc.	6,808,313	6,314,652	7.8%
54	051101	Molina Healthcare, Inc.	6,787,000	7,154,000	-5.1%
55	058413	MGIC Investment Corporation	6,229,571	5,677,802	9.7%
56	058411	Mercury General Corporation	5,889,157	5,433,729	8.4%
57	058060	Kansas City Life Insurance Company	5,219,865	4,971,486	5.0%
58	050660	ProAssurance Corporation	4,805,599	4,600,726	4.5%
59	051243	Employers Holdings, Inc.	4,004,100	3,919,200	2.2%
60	058460	RLI Corp.	3,545,721	3,105,065	14.2%
61	058589	United Fire Group, Inc.	3,013,472	2,816,698	7.0%
62	058469	State Auto Financial Corporation	2,985,400	2,895,900	3.1%
63	050905	Triple-S Management Corporation	2,818,826	2,760,248	2.1%
64	051554	United Insurance Holdings Corp.	2,467,218	2,321,428	6.3%
65	033690	Tiptree Inc.	2,198,286	1,864,918	17.9%
66	051085	Safety Insurance Group, Inc.	2,022,669	1,856,240	9.0%
67	046190	Heritage Insurance Holdings, Inc.	1,939,670	1,768,713	9.7%
68	058355	Donegal Group Inc.	1,923,161	1,832,078	5.0%
69	058026	Citizens, Inc.	1,744,936	1,615,561	8.0%
70	051146	Universal Insurance Holdings, Inc.	1,719,852	1,858,390	-7.5%
71	058332	Protective Insurance Corporation	1,634,360	1,490,131	9.7%
72	058517	Stewart Information Services Corporation	1,592,785	1,372,930	16.0%
73	051277	AMERISAFE, Inc.	1,492,906	1,515,931	-1.5%
74	058178	FedNat Holding Company	1,179,016	925,371	27.4%
75	052557	Kinsale Capital Group, Inc.	1,090,550	773,063	41.1%

Data for all companies, including Canadian, are in U.S. dollars
 Percent change is based upon local currency
 Source:  Holding Companies database



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Top 75

North American Public Insurers Ranked by 2019 Revenue

Top 75 N.A. Public Insurers

Rank	AMB#	Company Name	2019 Total Revenue (\$000)	2018 Total Revenue (\$000)	% Change
1	058334	Berkshire Hathaway Inc.	327,223,000	225,682,000	45.0%
2	058106	UnitedHealth Group Incorporated	242,155,000	226,247,000	7.0%
3	058180	Anthem, Inc.	104,213,000	92,105,000	13.1%
4	051149	Centene Corporation	75,082,000	60,369,000	24.4%
5	058175	MetLife, Inc.	69,620,000	67,941,000	2.5%
6	058052	Humana Inc.	65,394,000	56,912,000	14.9%
7	058182	Prudential Financial, Inc.	65,393,000	63,465,000	3.0%
8	066866	Manulife Financial Corporation	59,561,068	27,332,771	108.8%
9	058702	American International Group, Inc.	49,746,000	47,427,000	4.9%
10	058312	The Allstate Corporation	44,681,000	39,821,000	12.2%
11	058454	The Progressive Corporation	38,818,800	31,820,600	22.0%
12	050910	Great-West Lifeco, Inc.	34,209,614	32,297,032	1.5%
13	058470	The Travelers Companies, Inc.	31,581,000	30,282,000	4.3%
14	050913	Sun Life Financial Inc.	30,421,897	19,856,308	46.8%
15	058003	Aflac Incorporated	22,307,000	21,758,000	2.5%
16	058364	Fairfax Financial Holdings Limited	21,532,800	17,757,700	21.3%
17	058707	The Hartford Financial Services Group, Inc.	20,740,000	18,955,000	9.4%
18	058709	Lincoln National Corporation	17,258,000	16,424,000	5.1%
19	051101	Molina Healthcare, Inc.	16,844,000	18,890,000	-10.8%
20	058179	Principal Financial Group, Inc.	16,222,100	14,237,200	13.9%
21	050177	Loews Corporation	14,931,000	14,066,000	6.1%
22	058089	Reinsurance Group of America, Incorporated	14,300,000	12,876,000	11.1%
23	051409	AXA Equitable Holdings, Inc.	13,591,000	12,309,000	10.4%
24	050542	Ameriprise Financial, Inc.	13,103,000	12,924,000	1.4%
25	058110	Unum Group	11,998,900	11,598,500	3.5%
26	051156	Assurant, Inc.	10,086,800	8,057,600	25.2%
27	058405	Markel Corporation	9,526,191	6,947,883	37.1%
28	058309	Alleghany Corporation	9,040,716	6,887,160	31.3%
29	051160	Intact Financial Corporation	8,685,957	7,757,390	7.3%
30	046498	Brighthouse Financial, Inc.	8,542,000	8,965,000	-4.7%
31	058366	Fidelity National Financial, Inc.	8,469,000	7,594,000	11.5%
32	059780	Genworth Financial, Inc.	8,096,000	7,901,000	2.5%
33	058317	American Financial Group, Inc.	8,017,000	6,939,000	15.5%
34	058496	W. R. Berkley Corporation	7,932,911	7,718,718	2.8%
35	058704	Cincinnati Financial Corporation	7,924,000	5,407,000	46.6%

THE LEADERS

Rank	AMB#	Company Name	2019 Total Revenue (\$000)	2018 Total Revenue (\$000)	% Change
36	050817	Voya Financial Inc.	7,476,000	7,163,000	4.4%
37	058439	Old Republic International Corporation	7,213,700	6,021,800	19.8%
38	052894	First American Financial Corporation	6,202,061	5,747,844	7.9%
39	052590	National General Holdings Corp.	5,179,594	4,607,971	12.4%
40	058711	Kemper Corporation	5,039,200	3,725,100	35.3%
41	058505	The Hanover Insurance Group, Inc.	4,890,700	4,494,300	8.8%
42	058103	Globe Life Inc.	4,527,532	4,303,751	5.2%
43	058009	American National Insurance Company	4,070,143	3,326,382	22.4%
44	058030	CNO Financial Group, Inc.	4,015,800	4,313,500	-6.9%
45	058411	Mercury General Corporation	3,972,518	3,380,004	17.5%
46	033745	OneMain Holdings, Inc.	3,655,000	3,193,000	14.5%
47	050750	American Equity Investment Life Holding Company	3,466,346	1,547,098	124.1%
48	050905	Triple-S Management Corporation	3,375,586	2,996,059	12.7%
49	058466	Selective Insurance Group, Inc.	2,846,491	2,586,080	10.1%
50	058453	Primerica, Inc.	2,052,504	1,899,843	8.0%
51	058517	Stewart Information Services Corporation	1,940,008	1,907,672	1.7%
52	058348	Radian Group Inc.	1,526,955	1,274,357	19.8%
53	058706	Horace Mann Educators Corporation	1,430,485	1,191,599	20.0%
54	058469	State Auto Financial Corporation	1,410,000	1,275,800	10.5%
55	058413	MGIC Investment Corporation	1,213,977	1,123,848	8.0%
56	058589	United Fire Group, Inc.	1,201,165	1,070,166	12.2%
57	058460	RLI Corp.	1,003,591	818,123	22.7%
58	050660	ProAssurance Corporation	999,834	886,030	12.8%
59	051146	Universal Insurance Holdings, Inc.	939,351	823,816	14.0%
60	051085	Safety Insurance Group, Inc.	877,753	836,497	4.9%
61	051243	Employers Holdings, Inc.	835,900	800,400	4.4%
62	051554	United Insurance Holdings Corp.	825,235	724,058	14.0%
63	046134	National Western Life Group, Inc.	819,188	551,599	48.5%
64	058355	Donegal Group Inc.	812,451	771,829	5.3%
65	058512	FBL Financial Group Inc.	774,681	719,626	7.7%
66	033690	Tiptree Inc.	772,728	625,826	23.5%
67	050708	Ambac Financial Group, Inc.	546,000	511,000	6.8%
68	058060	Kansas City Life Insurance Company	512,693	461,032	11.2%
69	046190	Heritage Insurance Holdings, Inc.	511,305	480,171	6.5%
70	058332	Protective Insurance Corporation	495,597	439,169	12.8%
71	058178	FedNat Holding Company	414,961	396,093	4.8%
72	058054	Independence Holding Company	374,448	350,775	6.7%
73	051277	AMERISAFE, Inc.	370,370	377,753	-2.0%
74	052557	Kinsale Capital Group, Inc.	315,888	222,114	42.2%
75	051487	First Acceptance Corporation	292,691	323,813	-9.6%

Data for all companies, including Canadian, are in U.S. dollars
 Percent change is based upon local currency
 Source:  Holding Companies database



World's Largest Insurance Companies

Based on 2018 net non-banking assets.

2018 Asset Rank	2017 Asset Rank	AMB#	Company Name	Country of Domicile	2018 Net Non-Banking Assets USD (000)	% Change*
1	2	85085	AXA S.A.	France 	1,011,410,987	6.71
2	1	85014	Allianz SE	Germany 	994,336,046	1.24
3	3	58182	Prudential Financial Inc	United States 	815,078,000	-2.05
4	7	90826	Nippon Life Insurance Company	Japan 	710,861,843	5.94
5	6	58334	Berkshire Hathaway Inc.	United States 	707,794,000	0.81
6	5	58175	MetLife, Inc.	United States 	687,538,000	-4.49
7	4	90527	Japan Post Insurance Co., Ltd.	Japan 	666,619,276	-3.81
8	9	85925	Prudential Plc	United Kingdom 	646,218,213	2.98
9	8	86120	Legal & General Group Plc	United Kingdom 	625,728,073	-2.35
10	13	86446	Ping An Ins (Group) Co of China Ltd	China 	620,428,521	13.87
11	10	85124	Assicurazioni Generali S.p.A.	Italy 	590,487,800	-3.96
12	15	52446	China Life Insurance (Group) Company	China 	579,448,820	10.69
13	12	66866	Manulife Financial Corporation	Canada 	550,316,276	2.84
14	11	85909	Aviva Plc	United Kingdom 	546,909,385	-2.76
15	14	90906	National Mut Ins Fed Agricultural Coop	Japan 	529,249,664	-0.17
16	17	46417	Dai-ichi Life Holdings, Inc.	Japan 	504,590,174	4.36
17	18	58702	American International Group, Inc.	United States 	491,984,000	-1.27
18	16	86056	CNP Assurances	France 	475,667,287	-1.84
19	19	85244	Aegon N.V.	Netherlands 	449,918,307	-0.82
20	21	85485	Life Insurance Corporation of India	India 	449,034,271	9.38
21	20	93310	Credit Agricole Assurances	France 	437,889,379	1.46
22	22	86976	Zurich Insurance Group Ltd	Switzerland 	395,342,000	-6.33
23	23	90828	Meiji Yasuda Life Insurance Company	Japan 	379,928,849	1.39
24	24	91242	Sumitomo Life Insurance Company	Japan 	341,059,459	4.93
25	25	61691	New York Life Ins Company	United States 	339,144,000	0.60

* Percent change is based upon local currency.

Source: 

THE LEADERS

World's Largest Insurance Companies

Based on 2018 net premiums written.

2018 Premium Rank	2017 Premium Rank	AMB#	Company Name	Country of Domicile		2018 Net Premiums Written US\$ (000)	% Change*
1	1	58106	UnitedHealth Group Incorporated ¹	United States		178,087,000	12.39
2	2	85085	AXA S.A.	France		103,033,468	3.22
3	4	86446	Ping An Ins (Group) Co of China Ltd	China		101,821,215	19.15
4	3	52446	China Life Insurance (Group) Company	China		92,360,557	-0.09
5	7	70936	Kaiser Foundation Group of Health Plans ²	United States		92,054,688	10.09
6	6	58180	Anthem, Inc.	United States		85,048,000	1.00
7	5	85014	Allianz SE	Germany		83,203,137	0.35
8	8	85124	Assicurazioni Generali S.p.A.	Italy		72,617,727	3.61
9	9	20013	State Farm Group ²	United States		70,832,964	1.39
10	10	85320	People's Ins Co (Group) of China Ltd	China		68,204,489	4.55
11	11	58334	Berkshire Hathaway Inc.	United States		59,216,000	-4.86
12	18	51149	Centene Corporation ¹	United States		57,310,000	24.28
13	15	58052	Humana Inc. ¹	United States		54,941,000	4.89
14	16	90826	Nippon Life Insurance Company	Japan		54,346,195	11.98
15	12	86577	Munich Reinsurance Company	Germany		53,468,516	-1.77
16	20	90906	National Mut Ins Fed Agricultural Coop	Japan		50,267,197	16.07
17	17	85485	Life Insurance Corporation of India	India		48,655,853	6.08
18	19	46417	Dai-ichi Life Holdings, Inc.	Japan		48,203,024	9.41
19	24	90598	China Pacific Insurance (Group) Co Ltd	China		44,259,003	14.47
20	...	70080	CVS Health Corp Group ²	United States		43,956,803	3.18
21	...	58175	MetLife, Inc.	United States		43,840,000	12.43
22	13	85925	Prudential plc	United Kingdom		42,180,874	-20.84
23	23	86976	Zurich Insurance Group Ltd	Switzerland		41,230,000	0.23
24	...	51114	Liberty Mutual Holding Company Inc.	United States		39,100,000	6.28
25	...	69154	Health Care Service Corporation Group ²	United States		38,049,253	9.74

* Percent change is based upon local currency.
Source: 

¹Premiums shown are earned premiums

²AM Best consolidation; U.S. companies only

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THE LEADERS

Top 25 U.S. Holding Companies, 2019

Ranked by Assets (\$000)

Rank	AMB#	Company Name	2019 Total Assets (\$000)	2018 Total Assets (\$000)	% Change
1	058182	Prudential Financial, Inc.	896,552,000	815,078,000	10.0%
2	058334	Berkshire Hathaway Inc.	817,729,000	707,794,000	15.5%
3	058175	MetLife, Inc.	740,463,000	687,538,000	7.7%
4	058702	American International Group, Inc.	525,064,000	491,984,000	6.7%
5	058709	Lincoln National Corporation	334,761,000	298,147,000	12.3%
6	058179	Principal Financial Group, Inc.	276,087,800	243,036,100	13.6%
7	051409	AXA Equitable Holdings, Inc.	249,870,000	220,797,000	13.2%
8	046498	Brighthouse Financial, Inc.	227,259,000	206,294,000	10.2%
9	058106	UnitedHealth Group Incorporated	173,889,000	152,221,000	14.2%
10	050799	Pacific Mutual Holding Company	171,473,000	157,699,000	8.7%
11	050817	Voya Financial Inc.	169,051,000	155,430,000	8.8%
12	058003	Aflac Incorporated	152,768,000	140,406,000	8.8%
13	050542	Ameriprise Financial, Inc.	151,828,000	137,216,000	10.6%
14	051114	Liberty Mutual Holding Company Inc.	133,644,000	125,989,000	6.1%
15	058312	The Allstate Corporation	119,950,000	112,249,000	6.9%
16	058470	The Travelers Companies, Inc.	110,122,000	104,233,000	5.6%
17	059780	Genworth Financial, Inc.	101,342,000	100,923,000	0.4%
18	050177	Loews Corporation	82,243,000	78,316,000	5.0%
19	058180	Anthem, Inc.	77,453,000	71,571,000	8.2%
20	058089	Reinsurance Group of America, Incorporated	76,731,000	64,535,000	18.9%
21	058707	The Hartford Financial Services Group, Inc.	70,817,000	62,307,000	13.7%
22	058317	American Financial Group, Inc.	70,130,000	63,456,000	10.5%
23	050750	American Equity Investment Life Holding Company	69,696,552	61,625,564	13.1%
24	058110	Unum Group	67,013,400	61,875,600	8.3%
25	058454	The Progressive Corporation	54,895,300	46,575,000	17.9%

Source:  Holding Companies database

Top 25 U.S. Holding Companies, 2019

Ranked by Revenue (\$000)

Rank	AMB#	Company Name	2019 Total Revenue (\$000)	2018 Total Revenue (\$000)	% Change
1	058334	Berkshire Hathaway Inc.	327,223,000	225,682,000	45.0%
2	058106	UnitedHealth Group Incorporated	242,155,000	226,247,000	7.0%
3	058180	Anthem, Inc.	104,213,000	92,105,000	13.1%
4	051149	Centene Corporation	75,082,000	60,369,000	24.4%
5	058175	MetLife, Inc.	69,620,000	67,941,000	2.5%
6	058052	Humana Inc.	65,394,000	56,912,000	14.9%
7	058182	Prudential Financial, Inc.	65,393,000	63,465,000	3.0%
8	058702	American International Group, Inc.	49,746,000	47,427,000	4.9%
9	058312	The Allstate Corporation	44,681,000	39,821,000	12.2%
10	051114	Liberty Mutual Holding Company Inc.	43,228,000	41,568,000	4.0%
11	058454	The Progressive Corporation	38,818,800	31,820,600	22.0%
12	058470	The Travelers Companies, Inc.	31,581,000	30,282,000	4.3%
13	058003	Aflac Incorporated	22,307,000	21,758,000	2.5%
14	058707	The Hartford Financial Services Group, Inc.	20,740,000	18,955,000	9.4%
15	058709	Lincoln National Corporation	17,258,000	16,424,000	5.1%
16	051101	Molina Healthcare, Inc.	16,844,000	18,890,000	-10.8%
17	058179	Principal Financial Group, Inc.	16,222,100	14,237,200	13.9%
18	050177	Loews Corporation	14,931,000	14,066,000	6.1%
19	058089	Reinsurance Group of America, Incorporated	14,300,000	12,876,000	11.1%
20	051409	AXA Equitable Holdings, Inc.	13,591,000	12,309,000	10.4%
21	050542	Ameriprise Financial, Inc.	13,103,000	12,924,000	1.4%
22	058110	Unum Group	11,998,900	11,598,500	3.5%
23	050799	Pacific Mutual Holding Company	10,747,000	9,652,000	11.3%
24	051156	Assurant, Inc.	10,086,800	8,057,600	25.2%
25	058405	Markel Corporation	9,526,191	6,947,883	37.1%

Source:  Holding Companies database

Lessons Learned

AM Best webinar: Initial COVID-19 stress test finds U.S., Canadian life/health writers most impacted.

by David Pilla

As underwriters wade through their second quarter and try to find firmer footing under the COVID-19 burden, AM Best drew lessons from its first round of insurer stress testing related to the pandemic.

COVID-19 created adverse macroeconomic conditions across all industries and geographies leading to “a severe economic contraction” in the second quarter of 2020 along with heightened financial volatility across a number of asset classes, Stefan Holzberger, chief rating officer, AM Best, said in a webinar.

For the insurance industry, he said, the lines most affected are travel insurance, event cancellation, credit and surety, directors and officers, errors and omissions and employment practices liability.

“In addition, mortgage insurance will be under strain with a delayed effect due to the forbearance rules,” said Holzberger. “There’s a great deal of uncertainty with regard to losses stemming from workers’ compensation.”

He also noted “efforts to retroactively change the contract terms of business interruption policies remain a serious concern although there have been some positive developments in some states.”

Holzberger’s comments were part of a webinar, *AM Best Panel: COVID-19 Stress Testing Results and Next Steps*, held in conjunction with a new Best’s Special Report, *Stress Testing Rated Companies for COVID-19*, a stress test analysis that covered about 1,400 rating units worldwide, and focused on the impact of COVID-19 on underwriting and assets.

Overall results showed the median Best’s Capital Adequacy Ratio score at Value at Risk 99.6 of the rated population declined to 43% from an estimated year-end 2019 BCAR of 49%, demonstrating the resilience of the insurance industry. “Interest-sensitive life and annuity products will see compressed margins, and our

outlook for health care in the U.S. remains stable, but this is a segment we’re watching closely,” said Holzberger.

AM Best on March 18 announced plans to develop BCAR ratio stress testing for insurers it rates, said Stephen Irwin, managing director, AM Best. “Shortly thereafter, we requested information from the industry through the release of a COVID-19 questionnaire.”

Irwin said the questionnaire allowed a clearer picture of insurers’ sensitivities “given the considerable uncertainty about the potential evolution, duration and ultimate impact of the pandemic.”

Noting “uncertainty itself was a common theme,” he added the questionnaire gave AM Best a view of how companies operated on a daily basis, and for insurers COVID-19 was a “real-time test of their business continuity plans, and it appears the companies have been able to execute them effectively.” Irwin said the stress tests provide an initial baseline from which AM Best can build. He said AM Best saw no major surprises from the industry responses.

The insurance industry was in a good capital position at year-end 2019 ahead of the COVID-19 pandemic, Ken Johnson, managing director, AM Best, said in the webinar.

Based on the initial results of the stress tests, Johnson said it appears the U.S. and Canadian life and health segments were the most impacted.

Johnson said in total, 75% of “the global rated universe saw no impact in their current BCAR assessment.” He added BCAR is just one component of AM Best’s overall balance sheet assessment.

Looking at the U.S. market, Johnson said COVID-19 will be “an earnings headwind” for the

AM BestTV



Go to bestreview.com to watch the webinar *AM Best Panel: COVID-19 Stress Testing Results and Next Steps*.

David Pilla is a news editor, *BestWeek*. He can be reached at david.pilla@ambest.com.



Stress test results in areas outside the United States—Europe, Middle East and Africa; Asia-Pacific; and Latin America—were “reasonably good” and “probably slightly better” than in the U.S. market.

Mahesh Mistry
AM Best

property/casualty market as insurers deal with future claims as well as reputational risk while “political pressure continues to mount” in areas such as business interruption.

In the life and annuities segment, the financial impact “will take a few years to play out,” a scenario he said is similar to the financial crisis of 2008.

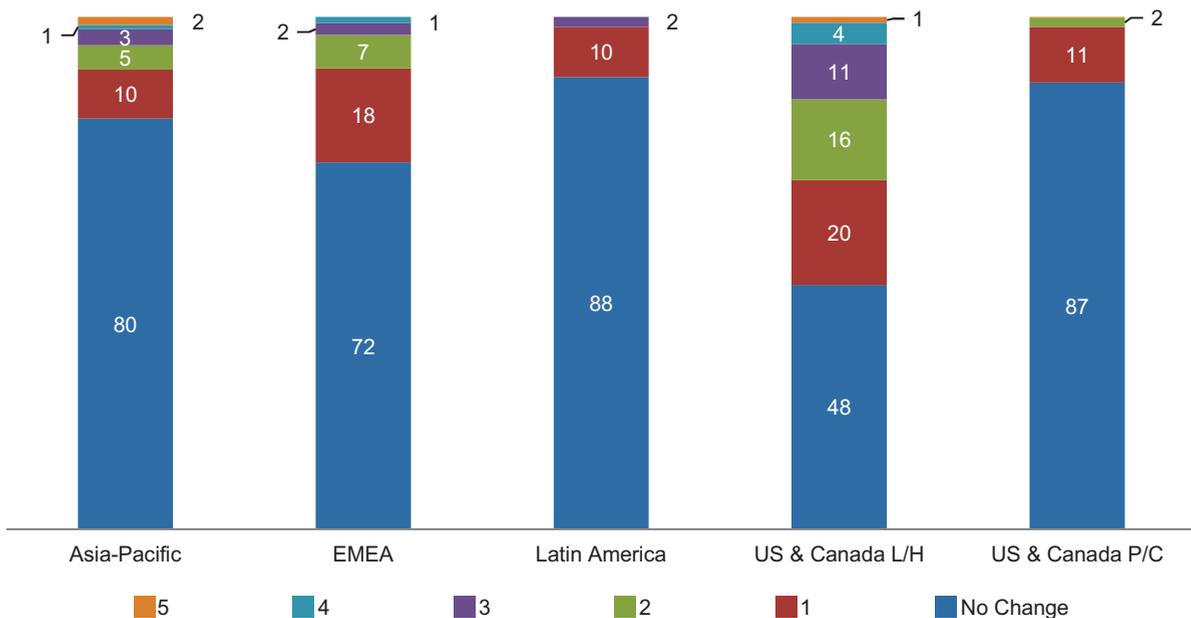
Stress test results in areas outside the United States—Europe, Middle East and Africa; Asia-Pacific; and Latin America—were “reasonably good” and “probably slightly better” than in the U.S. market, Mahesh Mistry, senior director, AM Best, said in the

webinar. This was partly due to the fact the rated companies in these markets included a lower proportion of life and health companies.

Companies in low-risk countries as assessed by Best’s Country Risk Tier ratings (CRT-1) had high stress test ratings, while companies in emerging markets saw declines in their BCAR scores (CRT-4 and 5). Following its initial stress test results, AM Best will investigate further and collect more information while refining its BCAR assessments and conducting ongoing surveillance, said Mistry.

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Change in BCAR Assessment Following Application of COVID-19 Stress Test



Note: Change in BCAR assessment is based on the reduction in the VaR 99.6 score and the existing slope of the BCAR curve through the VaRs.
Source: AM Best data and research

AM Best Research

AM Best expects the bail bond market to face legislative headwinds, sees reinsurers bracing for mortgage losses and says the D&O industry could face “seismic” changes. It also reports the results of its COVID-19 stress test of rated companies.

A selection of recent industry research:

Market Segment Report: Accelerating Trends, Unprecedented Turmoil Could Lead to Seismic Change for D&O Industry

COVID-19 may add even more challenges for D&O insurers.

June 10, 2020 - 8 Pages

Special Report: First Look: 3-Month 2020 Life/Annuity Financial Results

The Life/Annuity industry reported its first net operating loss since 2008.

June 8, 2020 - 5 Pages

Special Report: Severe Test for the Municipal Bond Market

Insurers’ significant muni bond holdings are manageable, but COVID-19 poses a considerable challenge for the municipal bond market.

June 4, 2020 - 7 Pages

Market Segment Outlook: Spain Non-Life

Insurers’ premiums are expected to decline due to tough economic conditions.

June 2, 2020 - 5 Pages

Market Segment Outlook: Spain Life

The COVID-19 pandemic is expected to negatively affect the profitability and solvency metrics of Spain’s life insurers.

June 2, 2020 - 5 Pages

Market Segment Report: COVID-19 Throws Spotlight on London Market Modernisation

The COVID-19 pandemic might even accelerate some long-awaited changes to the way London Market business is transacted.

June 2, 2020 - 5 Pages

Commentary: COVID-19 Impact on Health Insurance Companies Smaller Than Expected

COVID-19 side effects: delayed surgeries and routine care; lower utilization for insurers.

May 27, 2020 - 4 Pages

Special Report: First Look: 3-Month 2020 Property/Casualty Financial Results

The impact of COVID-19 was limited in the first quarter reporting period.

May 26, 2020 - 6 Pages

Special Report: Mortgage Reinsurance and the COVID-19 Pandemic

Reinsurers brace for pandemic-fueled spate of mortgage losses.

May 21, 2020 - 10 Pages

Special Report: US Insurers Continue to Reduce Hedge Fund Exposures

The rated insurers continue to adjust their investment strategies and to cut back on their hedge fund holdings overall.

May 20, 2020 - 7 Pages

Market Segment Outlook: Colombia Insurance

Our outlook has gone from Stable to Negative, as the pandemic and the resulting economic damage will strain the country’s insurance industry considerably.

May 19, 2020 - 3 Pages

Special Report: Stress Testing Rated Companies for COVID-19

Globally, the insurance industry is well capitalized, with most of the rated (re)insurers performing well in our stress test.

May 18, 2020 - 15 Pages

Market Segment Report: Bail Bond Market Faces Legislative Headwinds

Predictions that the bail bond insurance industry would quickly wilt in the face of cash bail reform have been premature.

May 11, 2020 - 7 Pages

Best’s Insurance News & Analysis subscribers can download PDF copies of all Best’s Special Reports, Best’s Commentaries and Best’s Market Segment Reports along with supporting spreadsheet data at www.ambest.com.

Protecting Data, Fighting Cybercrime and a Look At COVID-19 Challenges



Industry experts discuss protecting customers' data and keeping assets secure from cybercrime; claims professionals examine the issues confronting the claims sector, and developments shaping the post-COVID-19 era.

On Demand

What Life Insurers Need To Know About IAM

Life insurers must focus on protecting their customers' data and keeping their assets secure from cybercrime. Insurance and technical experts explore how an effective Identity Access Management (IAM) program can help.

Building More Profitable Home Insurance with Customer Value

The Customer Lifetime Value approach is changing the way home insurance carriers market and sell their products. Insurance and technology experts talk about the challenges and strategies surrounding CLV.

How the Impact of COVID-19 Is Changing Insurance Claims

A panel of insurance claims professionals examines the legal and logistical issues confronting the claims sector, and the developments shaping the post-COVID-19 era.

Tipping Point for Claims Handling?

Social distancing has forced many carriers to accelerate virtual claims handling sooner than expected. This webinar shows how claims departments can utilize data and analytics to improve the transition to the new normal.

Streaming Live

Using New Data To Outselect the Competition

Providing coverage for small businesses just went from challenging to difficult. Hear more about how new data insights can be applied across the value chain for small commercial underwriting.

Wednesday, July 15, 2 p.m. ET

How Active Risk Management Drives Better Customer Engagement

Changes in policyholder lifestyles are spurring changes in risk profiles and insurance coverages. This webinar will examine how, by adopting active risk management programs, insurers can better address customers' needs.

Wednesday, July 22, 2 p.m. ET

View These and Other AM Best Webinars

- Country Risk and Sovereign Credit Concerns in the Credit Rating Process
- State of the Caribbean Insurance Markets
- The Perils and Promise of Insurtech

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For information about how to follow AM Best on social media, go to www.ambest.com/socialmedia.

Industrywide Impact

Workers' compensation insurance, commercial auto, life insurance and asset management are all facets of the insurance industry being impacted by the COVID-19 pandemic and quarantine. Even hurricane forecasting can be affected. ^{AM}BestTV and ^{AM}BestAudio report on how the turmoil from the pandemic is impacting insurers.



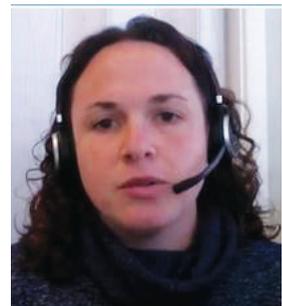
On Demand

Insurers Brace for What Could Be 'Above Normal' Hurricane Season, But With Less Data for Forecasts

June was the official start of hurricane season, but with commercial flights grounded due to the pandemic, forecasters have less data for predictions, industry experts said. Tom Varney from Allianz and Marla Schwartz Pourrabbani from Swiss Re discuss the risks.



Tom Varney



Marla Schwartz Pourrabbani

NCCI: COVID-19 Pandemic Impacts Workers' Comp Premiums, Claims

High unemployment rates are pushing workers' comp premiums down, while claims related to the pandemic are still developing, said Bill Donnell, president and CEO, National Council on Compensation Insurance.



Bill Donnell

Commercial Auto Insurers Could See Fewer but Costlier Claims in Pandemic

While insurers saw accident frequency drop during the quarantine, industry experts, including Kyle Hoffman of Convr, worry that essential workers logging longer hours could hike severity.



Kyle Hoffman

Visit www.ambest.com/video to see new and archived video from ^{AM}BestTV.

WSIA: We've Got Our Work Cut Out To Educate Regulators, Lawmakers

Insurers must educate policymakers on why business interruption writers can't pay COVID-19 claims for coverage they never wrote, said Brady Kelley, executive director, WSIA.



Brady Kelley

Allianz: Marine Insurers Facing Accumulation Risk During Pandemic

As economies slow, marine insurers are finding more cargo at rest, and at risk, said Andrew Kinsey, senior marine risk consultant, Allianz Global Corporate & Specialty.



Andrew Kinsey

Executives Say Life Insurers Are Adjusting To Writing Business During Pandemic

Life insurers are stepping up digital sales and automatic underwriting during the pandemic, say industry executives including Alison Salka of LIMRA.



Alison Salka



Changes Happening In Underwriting And Marketing Methods

Executives talk to ^{AM}BestAudio about a wildfire backstop for utilities and about how agents are responding in the era of COVID-19.

California Earthquake Authority Managing \$21 Billion Wildfire Backstop for Utilities

The publically managed but privately funded California Earthquake Authority, a nonprofit, is now also managing the \$21 billion wildfire backstop for utilities, said CEO Glenn Pomeroy.

Liberty Mutual: Independent Agents Auditing, Improving Digital Presence

Independent agents are refreshing their websites, finding new social channels and improving digital marketing during the pandemic, said Tyler Asher, president, Independent Agent Distribution, Liberty Mutual and Safeco Insurance.

Find ^{AM}BestAudio at www.ambest.com/ambaudio.

BEST'S REVIEW®

Editorial

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Best's Credit Rating Actions

This edition lists all Credit Rating actions that occurred between May 1 and May 31, 2020. For the Credit Rating of any company rated by AM Best and basic company information, visit the AM Best website at www.ambest.com/ratings/access.html or download the ratings app at www.ambest.com/sales/ambmobileapp.

Operating Companies

Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA LIFE/HEALTH								
↕	H	Colonial Life & Accident Insurance Co <i>Unum Group</i>	006238	A a	Negative Negative	A a	Stable Stable	South Carolina
—	H	Eastern Vision Service Plan Inc <i>Vision Service Plan (CA)</i>	064483	A- a-	Stable Stable	A u a u	Negative Negative	New York
↕	H	First Unum Life Insurance Company <i>Unum Group</i>	006514	A a	Negative Negative	A a	Stable Stable	New York
▣	H	Moda Health Plan Inc <i>Oregon Dental Service</i>	011437	B u bb u	Positive Positive	B bb	Stable Stable	Oregon
▣	H	Oregon Dental Service <i>Oregon Dental Service</i>	064364	B u bb u	Positive Positive	B bb	Stable Positive	Oregon
☑	L	PartnerRe Life Reinsurance Co of America <i>Giovanni Agnelli B.V</i>	061745	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	Arkansas
☑	L	PartnerRe Life Reinsurance Co of CA <i>Giovanni Agnelli B.V</i>	066889	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	Ontario
↕	H	Paul Revere Life Insurance Company <i>Unum Group</i>	006899	A a	Negative Negative	A a	Stable Stable	Massachusetts
↕	H	Provident Life and Accident Insurance Co <i>Unum Group</i>	006968	A a	Negative Negative	A a	Stable Stable	Tennessee
↕	H	Provident Life and Casualty Insurance Co <i>Unum Group</i>	006969	A a	Negative Negative	A a	Stable Stable	Tennessee
↔	L	SPJST*	009606	NR nr		B- bb-	Stable Stable	Texas
↕	H	Unum Life Insurance Company of America <i>Unum Group</i>	006256	A a	Negative Negative	A a	Stable Stable	Maine
—	H	Vision Service Plan (CA) <i>Vision Service Plan (CA)</i>	064607	A- a-	Stable Stable	A u a u	Negative Negative	California
—	H	Vision Service Plan Insurance Co (MO) <i>Vision Service Plan (CA)</i>	011496	A- a-	Stable Stable	A u a u	Negative Negative	Missouri
—	H	Vision Service Plan Insurance Co (OH) <i>Vision Service Plan (CA)</i>	011105	A- a-	Stable Stable	A u a u	Negative Negative	Ohio
—	H	Vision Service Plan of Illinois NFP <i>Vision Service Plan (CA)</i>	064834	A- a-	Stable Stable	A u a u	Negative Negative	Illinois
—	H	VSP Vision Care, Inc. <i>Vision Service Plan (CA)</i>	064478	A- a-	Stable Stable	A u a u	Negative Negative	Virginia
U.S., CANADA AND BERMUDA PROPERTY/CASUALTY								
↕	P	Anchor General Insurance Company <i>Badani Family Trust</i>	000364	B bb+	Stable Stable	B bb+	Stable Negative	California
↕	P	Ansur America Insurance Company <i>Frankenmuth Mutual Insurance Company</i>	012300	A a+	Stable Stable	A a+	Positive Positive	Michigan
↕	P	ASure Worldwide Insurance Company <i>Frankenmuth Mutual Insurance Company</i>	012555	A a+	Stable Stable	A a+	Positive Positive	Michigan
—	P	AXIS Insurance Company <i>AXIS Capital Holdings Limited</i>	013034	A a+	Stable Stable	A+ aa-	Negative Negative	Illinois

* Ratings were downgraded to B-/bb- from B/bb on May 21, 2020. Ratings were withdrawn on May 21, 2020.

Rating Action: (⬆) Upgrade; (—) Downgrade; (New) Initial Rating; (▣) Under Review; (↕) Change in Outlook; (↔) Rating Withdrawal; (☑) Rating Affirmation.

Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA PROPERTY/CASUALTY (CONTINUED)								
—	P	AXIS Reinsurance Company <i>AXIS Capital Holdings Limited</i>	012557	A a+	Stable Stable	A+ aa-	Negative Negative	New York
—	P	AXIS Specialty Limited <i>AXIS Capital Holdings Limited</i>	084766	A a+	Stable Stable	A+ aa-	Negative Negative	Bermuda
—	P	AXIS Surplus Insurance Company <i>AXIS Capital Holdings Limited</i>	012515	A a+	Stable Stable	A+ aa-	Negative Negative	Illinois
—	P	Bay State Insurance Company <i>Andover Companies Pool</i>	002053	A a+	Stable Negative	A+ aa-	Negative Negative	Massachusetts
—	P	Cambridge Mutual Fire Insurance Company <i>Andover Companies Pool</i>	002054	A a+	Stable Negative	A+ aa-	Negative Negative	Massachusetts
☑	P	Dorchester Insurance Company, Ltd. <i>Topa Equities, Ltd.</i>	011064	A- a-	Negative Negative	A- u a- u	Developing Developing	U.S. Virgin Islands
↕	P	Fortuity Insurance Company <i>Frankenmuth Mutual Insurance Company</i>	012299	A a+	Stable Stable	A a+	Positive Positive	Michigan
↕	P	Frankenmuth Mutual Insurance Company <i>Frankenmuth Mutual Insurance Company</i>	000402	A a+	Stable Stable	A a+	Positive Positive	Michigan
↔	P	Global Hawk Property and Casualty Ins Co <i>Jasbir S. Thandi</i>	022294	NR nr		B++ bbb	Stable Stable	Delaware
↕	P	Inland Mutual Insurance Company	000515	A- a-	Negative Negative	A- a-	Stable Stable	West Virginia
⊕	P	Kentucky Growers Insurance Company	003146	A- a-	Stable Stable	B++ bbb+	Positive Positive	Kentucky
⊕	P	Lion Reinsurance Company Limited <i>Grupo ASSA, S.A.</i>	091769	A a	Stable Stable	A- a-	Stable Stable	Bermuda
—	P	Merrimack Mutual Fire Insurance Company <i>Andover Companies Pool</i>	002055	A a+	Stable Negative	A+ aa-	Negative Negative	Massachusetts
↕	P	NAMIC Insurance Company, Inc. <i>National Association of Mutual Ins Cos</i>	010961	A a	Negative Negative	A a	Stable Stable	Indiana
↕	P	Pacific Star Insurance Company <i>Badani Family Trust</i>	013755	B bb+	Stable Stable	B bb+	Stable Negative	Wisconsin
☑	C	Partner Reinsurance Company Ltd <i>Giovanni Agnelli B.V</i>	084424	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	Bermuda
☑	P	Partner Reinsurance Company of the U.S. <i>Giovanni Agnelli B.V</i>	002671	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	New York
☑	P	PartnerRe America Insurance Company <i>Giovanni Agnelli B.V</i>	012329	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	Delaware
↕	P	Patriot Insurance Company <i>Frankenmuth Mutual Insurance Company</i>	011495	A a+	Stable Stable	A a+	Positive Positive	Maine
↕	P	Preferred Mutual Insurance Company	000774	A a+	Stable Negative	A a+	Stable Stable	New York
New	T	Title Resources Guaranty Company <i>Realogy Holdings Corp.</i>	012360	B++ bbb+	Stable Stable	NR nr		Texas
☑	P	Topa Insurance Company <i>Topa Equities, Ltd.</i>	002749	A- a-	Negative Negative	A- u a- u	Developing Developing	California
🚩	P	Tri-State Consumer Insurance Company <i>WT Holdings, Inc.</i>	001971	A- u a- u	Negative Negative	A- a-	Negative Negative	New York
⊕	P	UFB Casualty Insurance Company <i>Indiana Farm Bureau, Inc.</i>	000527	A a	Stable Stable	A- a-	Positive Positive	Indiana
⊕	P	United Farm Family Mutual Insurance Co <i>Indiana Farm Bureau, Inc.</i>	000350	A a	Stable Stable	A- a-	Positive Positive	Indiana
🚩	P	Watford Insurance Company <i>Watford Holdings Ltd.</i>	022937	A- u a- u	Negative Negative	A- a-	Stable Stable	New Jersey
🚩	P	Watford Re Ltd. <i>Watford Holdings Ltd.</i>	022019	A- u a- u	Negative Negative	A- a-	Stable Stable	Bermuda

Rating Action: (⊕) Upgrade; (—) Downgrade; (New) Initial Rating; (🚩) Under Review; (↕) Change in Outlook; (↔) Rating Withdrawal; (☑) Rating Affirmation.

Outlook: Positive, Negative, Stable. Implications: Positive, Negative, Developing. Business Type: P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA PROPERTY/CASUALTY (CONTINUED)								
🇺🇸	P	Watford Specialty Insurance Company <i>Watford Holdings Ltd.</i>	022488	A- u a- u	Negative Negative	A- a-	Stable Stable	New Jersey
EUROPE, MIDDLE EAST AND AFRICA								
—	P	AXIS Re SE <i>AXIS Capital Holdings Limited</i>	083008	A a+	Stable Stable	A+ aa-	Negative Negative	Ireland
—	P	AXIS Specialty Europe SE <i>AXIS Capital Holdings Limited</i>	083007	A a+	Stable Stable	A+ aa-	Negative Negative	Ireland
☑	C	Covéa Coopérations <i>Société de Groupe d'Assurance Mut Covéa</i>	059781	A a+	Stable Stable	A u a+ u	Developing Developing	France
New	P	Everest Insurance (Ireland) DAC <i>Everest Re Group, Ltd.</i>	095905	A+ aa-	Stable Stable	NR nr		Ireland
☑	C	Partner Reinsurance Europe SE <i>Giovanni Agnelli B.V.</i>	078853	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	Ireland
☑	P	PartnerRe Ireland Insurance DAC <i>Giovanni Agnelli B.V.</i>	088621	A+ aa-	Stable Stable	A+ u aa- u	Developing Developing	Ireland
New	P	Suez Canal Insurance <i>Green Valley Investment & Development</i>	091123	B- bb-	Stable Stable	NR nr		Egypt
🚫	C	TM hf. <i>TM hf.</i>	083936	NR nr		B++ u bbb+ u	Developing Developing	Iceland
🇮🇪	P	Watford Insurance Company Europe Ltd <i>Watford Holdings Ltd.</i>	022489	A- u a- u	Negative Negative	A- a-	Stable Stable	Gibraltar
ASIA PACIFIC								
⬆️⬆️	P	Ansvar Insurance Limited <i>Allchurches Trust Limited</i>	086552	A- a-	Negative Negative	A- a-	Stable Stable	Australia
⬆️⬆️	P	Bangkok Insurance Public Company Limited	086195	A- a-	Negative Negative	A- a-	Stable Stable	Thailand
—	P	Consumer Insurance Services Limited <i>FlexiGroup Limited</i>	084340	B+ bbb-	Stable Stable	B++ bbb	Negative Negative	New Zealand
⬆️⬆️	P	Dhipaya Insurance Public Company Limited	089383	A- a-	Negative Negative	A- a-	Stable Stable	Thailand
⬆️⬆️	C	National Reinsurance Corp of Philippines	086771	B++ bbb	Stable Stable	B++ bbb	Negative Negative	Philippines
🇲🇾	P	Tune Protect Re Ltd. <i>Tune Protect Group Berhad</i>	092785	B++ u bbb+ u	Negative Negative	B++ bbb+	Stable Stable	Malaysia
CARIBBEAN AND LATIN AMERICA								
—	P	IRB - Brasil Resseguros S.A.	085590	A- u a- u	Negative Negative	A u a u	Negative Negative	Brazil
⬆️⬆️	L	Republic Insurance Company (Cayman) Ltd <i>Republic Financial Holdings Limited</i>	073030	B++ bbb+	Stable Negative	B++ bbb+	Stable Stable	Cayman Islands

Holding Companies

Rating Action	Company Name	AMB#	Current		Previous		Domicile
			ICR	Outlook/ Implications	ICR	Outlook/ Implications	
—	AXIS Capital Holdings Limited	051089	bbb+	Stable	a-	Negative	Bermuda
☑	PartnerRe Ltd.	058444	a-	Stable	a- u	Developing	Bermuda
⬆️⬆️	Unum Group	058110	bbb	Negative	bbb	Stable	Delaware
🇮🇪	Watford Holdings Ltd.	033289	bbb- u	Negative	bbb-	Stable	Bermuda

Rating Action: (⬆️) Upgrade; (—) Downgrade; (New) Initial Rating; (🇮🇪) Under Review; (⬆️⬆️) Change in Outlook; (🚫) Rating Withdrawal; (☑) Rating Affirmation.

Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

BEST'S FINANCIAL STRENGTH RATING GUIDE – (FSR)

A Best's Financial Strength Rating (FSR) is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. An FSR is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In addition, an FSR may be displayed with a rating identifier, modifier or affiliation code that denotes a unique aspect of the opinion.

Best's Financial Strength Rating (FSR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Superior	A+	A++	Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
Excellent	A	A-	Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
Good	B+	B++	Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Fair	B	B-	Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Marginal	C+	C++	Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Weak	C	C-	Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
Poor	D	-	Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.

* Each Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+," or a minus "-".

Financial Strength Non-Rating Designations

Designation Symbols	Designation Definitions
E	Status assigned to insurers that are publicly placed, via court order into conservation or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or otherwise limit policyholder payments.
F	Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.
S	Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements.
NR	Status assigned to insurance companies that are not rated; may include previously rated insurance companies or insurance companies that have never been rated by AM Best.

Rating Disclosure – Use and Limitations

A Best's Credit Rating (BCR) is a forward-looking independent and objective opinion regarding an insurer's, issuer's or financial obligation's relative creditworthiness. The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance, business profile and enterprise risk management or, where appropriate, the specific nature and details of a security. Because a BCR is a forward-looking opinion as of the date it is released, it cannot be considered as a fact or guarantee of future credit quality and therefore cannot be described as accurate or inaccurate. A BCR is a relative measure of risk that implies credit quality and is assigned using a scale with a defined population of categories and notches. Entities or obligations assigned the same BCR symbol developed using the same scale, should not be viewed as completely identical in terms of credit quality. Alternatively, they are alike in category (or notches within a category), but given there is a prescribed progression of categories (and notches) used in assigning the ratings of a much larger population of entities or obligations, the categories (notches) cannot mirror the precise subtleties of risk that are inherent within similarly rated entities or obligations. While a BCR reflects the opinion of A.M. Best Rating Services, Inc. (AM Best) of relative creditworthiness, it is not an indicator or predictor of defined impairment or default probability with respect to any specific insurer, issuer or financial obligation. A BCR is not investment advice, nor should it be construed as a consulting or advisory service, as such; it is not intended to be utilized as a recommendation to purchase, hold or terminate any insurance policy, contract, security or any other financial obligation, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. Users of a BCR should not rely on it in making any investment decision; however, if used, the BCR must be considered as only one factor. Users must make their own evaluation of each investment decision. A BCR opinion is provided on an "as is" basis without any expressed or implied warranty. In addition, a BCR may be changed, suspended or withdrawn at any time for any reason at the sole discretion of AM Best.

Financial Size Category

To enhance the usefulness of ratings, AM Best assigns each rated (A++ through D) insurance company a Financial Size Category (FSC). The FSC is based on adjusted policyholders' surplus (PHS) in U.S. dollars and may be impacted by foreign currency fluctuations. The FSC is designed to provide a convenient indicator of the size of a company in terms of its statutory surplus and related accounts.

Many insurance buyers only want to consider buying insurance coverage from companies that they believe have sufficient financial capacity to provide the necessary policy limits to insure their risks. Although companies utilize reinsurance to reduce their net retention on the policy limits they underwrite, many buyers still feel more comfortable buying from companies perceived to have greater financial capacity.

Class	Adj. PHS (\$ Millions)
I	Less than 1
II	1 to 2
III	2 to 5
IV	5 to 10
V	10 to 25
VI	25 to 50
VII	50 to 100
VIII	100 to 250

Class	Adj. PHS (\$ Millions)
IX	250 to 500
X	500 to 750
XI	750 to 1,000
XII	1,000 to 1,250
XIII	1,250 to 1,500
XIV	1,500 to 2,000
XV	2,000 or greater

For the most current version, visit www.ambest.com/ratings/index.html. BCRs are distributed via the AM Best website at www.ambest.com. For additional information regarding the development of a BCR and other rating-related information and definitions, including outlooks, modifiers, identifiers and affiliation codes, please refer to the report titled "Guide to Best's Credit Ratings" available at no charge on the AM Best website. BCRs are proprietary and may not be reproduced without permission.

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GUIDE TO BEST'S ISSUER CREDIT RATINGS – (ICR)

A Best's Issuer Credit Rating (ICR) is an independent opinion of an entity's ability to meet its ongoing financial obligations and can be issued on either a long- or short-term basis. A Long-Term ICR is an opinion of an entity's ability to meet its ongoing senior financial obligations, while a Short-Term ICR is an opinion of an entity's ability to meet its ongoing financial obligations with original maturities generally less than one year. An ICR is an opinion regarding the relative future credit risk of an entity. Credit risk is the risk that an entity may not meet its contractual financial obligations as they come due. An ICR does not address any other risk. In addition, an ICR is not a recommendation to buy, sell or hold any securities, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser. An ICR may be displayed with a rating identifier or modifier that denotes a unique aspect of the opinion.

Best's Long-Term Issuer Credit Rating (Long-Term ICR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Exceptional	aaa	-	Assigned to entities that have, in our opinion, an exceptional ability to meet their ongoing senior financial obligations.
Superior	aa	aa+ / aa-	Assigned to entities that have, in our opinion, a superior ability to meet their ongoing senior financial obligations.
Excellent	a	a+ / a-	Assigned to entities that have, in our opinion, an excellent ability to meet their ongoing senior financial obligations.
Good	bbb	bbb+ / bbb-	Assigned to entities that have, in our opinion, a good ability to meet their ongoing senior financial obligations.
Fair	bb	bb+ / bb-	Assigned to entities that have, in our opinion, a fair ability to meet their ongoing senior financial obligations. Credit quality is vulnerable to adverse changes in industry and economic conditions.
Marginal	b	b+ / b-	Assigned to entities that have, in our opinion, a marginal ability to meet their ongoing senior financial obligations. Credit quality is vulnerable to adverse changes in industry and economic conditions.
Weak	ccc	ccc+ / ccc-	Assigned to entities that have, in our opinion, a weak ability to meet their ongoing senior financial obligations. Credit quality is vulnerable to adverse changes in industry and economic conditions.
Very Weak	cc	-	Assigned to entities that have, in our opinion, a very weak ability to meet their ongoing senior financial obligations. Credit quality is very vulnerable to adverse changes in industry and economic conditions.
Poor	c	-	Assigned to entities that have, in our opinion, a poor ability to meet their ongoing senior financial obligations. Credit quality is extremely vulnerable to adverse changes in industry and economic conditions.

* Best's Long-Term Issuer Credit Rating Categories from "aa" to "ccc" include Rating Notches to reflect a gradation within the category to indicate whether credit quality is near the top or bottom of a particular Rating Category. Rating Notches are expressed with a "+" (plus) or "-" (minus).

Best's Short-Term Issuer Credit Rating (Short-Term ICR) Scale

Rating Categories	Rating Symbols	Category Definitions
Strongest	AMB-1+	Assigned to entities that have, in our opinion, the strongest ability to repay their short-term financial obligations.
Outstanding	AMB-1	Assigned to entities that have, in our opinion, an outstanding ability to repay their short-term financial obligations.
Satisfactory	AMB-2	Assigned to entities that have, in our opinion, a satisfactory ability to repay their short-term financial obligations.
Adequate	AMB-3	Assigned to entities that have, in our opinion, an adequate ability to repay their short-term financial obligations; however, adverse industry or economic conditions likely will reduce their capacity to meet their financial commitments.
Questionable	AMB-4	Assigned to entities that have, in our opinion, questionable credit quality and are vulnerable to adverse economic or other external changes, which could have a marked impact on their ability to meet their financial commitments.

Long- and Short-Term Issuer Credit Non-Rating Designations

Designation Symbols	Designation Definitions
d	Status assigned to entities (excluding insurers) that are in default or when a bankruptcy petition or similar action has been filed and made public.
e	Status assigned to insurers that are publicly placed, via court order into conservation or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or otherwise limit policyholder payments.
f	Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.
s	Status assigned to rated entities to suspend the outstanding ICR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements.
nr	Status assigned to entities that are not rated; may include previously rated entities or entities that have never been rated by AM Best.

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Corporate Changes

All companies listed are life/health or property/casualty insurers in the United States and Canada that recently underwent corporate changes.

LIFE/HEALTH

Name Changes

General Fidelity Life Insurance Co. (AMB# 006441), Charleston, S.C. This company changed its name to Coefficient Insurance Co. on Jan. 23, 2020.

Time Insurance Co. II (AMB# 007126), Madison, Wis. This company changed its name to Time Insurance Co. on Feb. 28, 2020.

Domiciliary Changes

Time Insurance Co. (AMB# 007126), Madison, Wis. This company redomesticated to Wisconsin from Puerto Rico on Feb. 28, 2020.

PROPERTY/CASUALTY

New Companies

Hoxbridge Insurance Co., Risk Retention Group (AMB# 020901), incorporated Feb. 21, 2020 in Hawaii.

Mergers

OrthoForum Insurance Co. (AMB# 014410), Columbia, S.C. This company merged with and into MAG Mutual Insurance Co. on March 1, 2020.

Name Changes

AmTrust Insurance Company of Kansas Inc. (AMB# 004778), Wilmington, Del. This company changed its name to AmTrust Insurance Co. on March 31, 2020.

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On the Rise

Willis Towers Watson: First-quarter commercial lines pricing up more than 6%.

U.S. commercial insurers saw aggregate price changes of more than 6% in the first quarter of 2020, continuing an upward trend in pricing, according to Willis Towers Watson.

The aggregate price change reported by carriers exceeded 6% for the second consecutive quarter, said the broker in a statement, citing its commercial lines insurance pricing survey.

The survey found the aggregate price change was an increase of just less than 6.5%, and the price change for the same quarter a year ago rose less than 2.5%.

“During the first quarter of 2020, we saw a continuation of substantial price increases for excess/umbrella and directors and officers liability,” Alejandra Nolibos, senior director, insurance consulting and technology at Willis Towers Watson, said in a statement.

“Focusing on workers’ compensation, carriers reported reductions once again,” said Nolibos. “That said, first-quarter statistics are unlikely to reflect reactions to the short and midterm impacts of COVID-19, among them changes in task and employment mix and the economic situation.”

The broker said data for nearly all lines “indicated a rise in prices, some significant,” with double-digit increases for D&O liability, excess/umbrella, commercial auto and property.

“For most other lines, price changes were

consistent with those observed in the prior quarter,” said Willis Towers Watson. “When comparing account sizes, price changes varied: muted for small commercial accounts and higher across midmarket accounts, with large accounts nearing double digits.”

Commercial insurance pricing worldwide rose 14% in the first quarter on increases in property insurance and in financial and professional lines, said broker Marsh in its own survey. “Although the COVID-19 global pandemic had an insignificant impact on pricing in the first quarter, the reported increase was the largest year-over-year increase in the Marsh Global Insurance Market Index since its inception in 2012,” Marsh said in a statement. “We anticipate that COVID-19 will likely have an impact on pricing for the balance of 2020.”

Global commercial insurance pricing rose for the 10th consecutive quarter in the first quarter, said Marsh.

“The insurance market in the first quarter experienced pricing increases in many geographies and across multiple products,” said Marsh in the survey. Property insurance pricing rose 15% in the quarter and casualty pricing increased 5%.

The pricing improvement extended gains seen in the fourth quarter, when Marsh found global commercial insurance prices rose nearly 11%.

—David Pilla

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Backstop Needed

Citing Europe and Canada, trade credit insurers seek U.S. government reinsurance in volatile market.

As countries worldwide seek solutions to unprecedented business disruptions caused by the COVID-19 pandemic, trade credit insurers warn that the U.S. market needs a government reinsurance backstop similar to those in place in many Western countries.

“What’s happening now in the COVID-19 crisis is that most companies’ supply chains have just locked up,” said James Daly, chief executive officer, Euler Hermes North America. “When we’re looking at the creditworthiness of companies it’s completely disintegrating in many sectors, particularly bricks-and-mortar retail, tourism and hospitality. So we’re reducing our exposure.” Leaders in the U.S. trade credit insurance market developed a working group to engage U.S. government entities on the feasibility of a government reinsurance plan to reduce a liquidity shortfall in volatile markets, said Daly.

“We think it’s an important initiative for the United States, which follows what other governments were doing,” said Scott B. Ettien, global head of trade credit financial solutions, Willis Towers Watson. “Over the next two quarters, the financials will reflect negative trends and the credit insurance carriers will need further reinsurance support to help suppliers and service providers provide open-term working capital to these companies on the way out of this crisis,” he said.

“Trade credit is not as often thought about, but a critical piece of the puzzle that needs to be present as economies reel and recover from the effects of the COVID-19 pandemic,” Sridhar Manyem, director, AM Best, said in written comment. “Trade credit insurance provides peace of mind to suppliers and businesses that their insurers will step in when their expected working capital (from their customers and suppliers) does not materialize. During a period of anemic economic conditions when confidence is low, trade credit insurance will be an important aspect of recovery.”

Manyem noted in a global economy with supply chains that span multiple geographies, underwriting trade credit insurance “is complicated by the economic conditions under which insolvencies and bankruptcies will be on the rise.” He said insurers “may not think the risk is worth



Sridhar Manyem

the reward and may not even offer the product in the short term when the risk is high both on the political spectrum (government-mandated shutdowns, restrictions on travel) and business spectrum (unprecedented economic conditions).”

A recent Best’s Commentary said the short-tail nature of the trade credit product may partially offset the negative impacts, allowing for insurers to reprice and de-risk their portfolios, although incurred losses could be significant and involve costly litigation.

Any U.S. government reinsurance scheme needs to be in place and ready to go as an option for carriers to provide capacity “on the way out of this cycle,” Ettien said. “We’re setting this up for future generations and future crises. It’s going to take more time and effort for our industry to get this thing ready to go but once we have it in place, it will be a model that can be used in any mini-downturn or sector downturn.”

“We’re eager to get the word out,” said Oscar Villalonga, president and chief executive officer, North America, for trade credit insurer Coface. “It’s a very early stage for us. We have come together because globally trade credit insurance is very well-known and accepted, particularly in European countries.”

Noting the effort was “kicked off” by Daly at Euler Hermes, Ettien said Daly “wanted to see if we could coordinate market support for the initiative of obtaining government reinsurance throughout this downturn and as we dig out, where it will be needed the most.”

Daly said the group is working with trade associations, brokers and banks and would like to approach the U.S. Treasury, Department of Commerce and Federal Reserve.

Trade credit insurers Euler Hermes, Atradius and Coface engaged with Wilmer Hale, an international law firm with expertise in Washington, “to take the first steps” including drafting a position paper on trade credit, said Ettien.

Those three insurers make up the bulk of the market in the United States, said Ettien. He said there are about 13 other companies that provide trade credit but not with the magnitude of those three.

—David Pilla

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Hit the Right Note

Industry professionals are combining a passion for music and the skills gained from their avocation with their insurance careers.

by Lori Chordas

By day, Jen Perry is an insurance account manager at First Foundation, a Canadian insurance and financial services firm. In the evenings and on weekends, she runs her own music talent agency and is the bassist for the band The Red Cannons.

Perry is one of several insurance professionals who have combined their passion for music with their insurance careers.

Perry credits music with teaching her to think outside the box. “It has helped [me] become more creative and find innovative solutions for my clients and offer them different options, which in turn creates a better customer service experience,” she said.

National Conference of Insurance Guaranty Funds CEO Roger Schmelzer said that’s much like the creativity a musician employs when writing a song or interpreting a melody.

“I’ve never enjoyed getting up and performing a song the way the original artist sang it,” said Schmelzer, who for nearly 25 years has performed in cabaret shows, dinner theater and local restaurants, and last year, performed at Carnegie Hall in New York City. “I like to put my own spin on it, just as in the business world where being creative and innovative allows you to see possibilities and new or different ways of doing something.”

Schmelzer said music has helped him develop some of the skills needed to lead his organization. Preparation is among them.

“You can’t stand on stage for 60 minutes and

not be prepared,” he said. “Every song is different so you have to be very flexible and willing to make transitions, similar to what’s needed in the business world.”

Effective communication also is vital in both music and insurance. “Whether you’re performing on stage or presenting at an industry conference or speaking to your staff, it’s important to remind your audience that you are doing it for them. So

there’s a real element of servant leadership that comes from music that transitions well into an industry career,” said Schmelzer, who is the chairman of the Great American Songbook Foundation and in 2008 released his debut CD *About Now*.

Perry said running her self-named artist development and talent management agency has provided her with skills needed for brokering success.

“Operating a brokerage is much

like setting up an artist’s music career because you are managing schedules, marketing their business plans and helping them build a secure future,” said Perry, who after college toured with her band for six years before “depleting my savings and returning to the workforce” as an insurance adviser with State Farm in Canada until shortly after it was acquired by Desjardins Group in 2015.

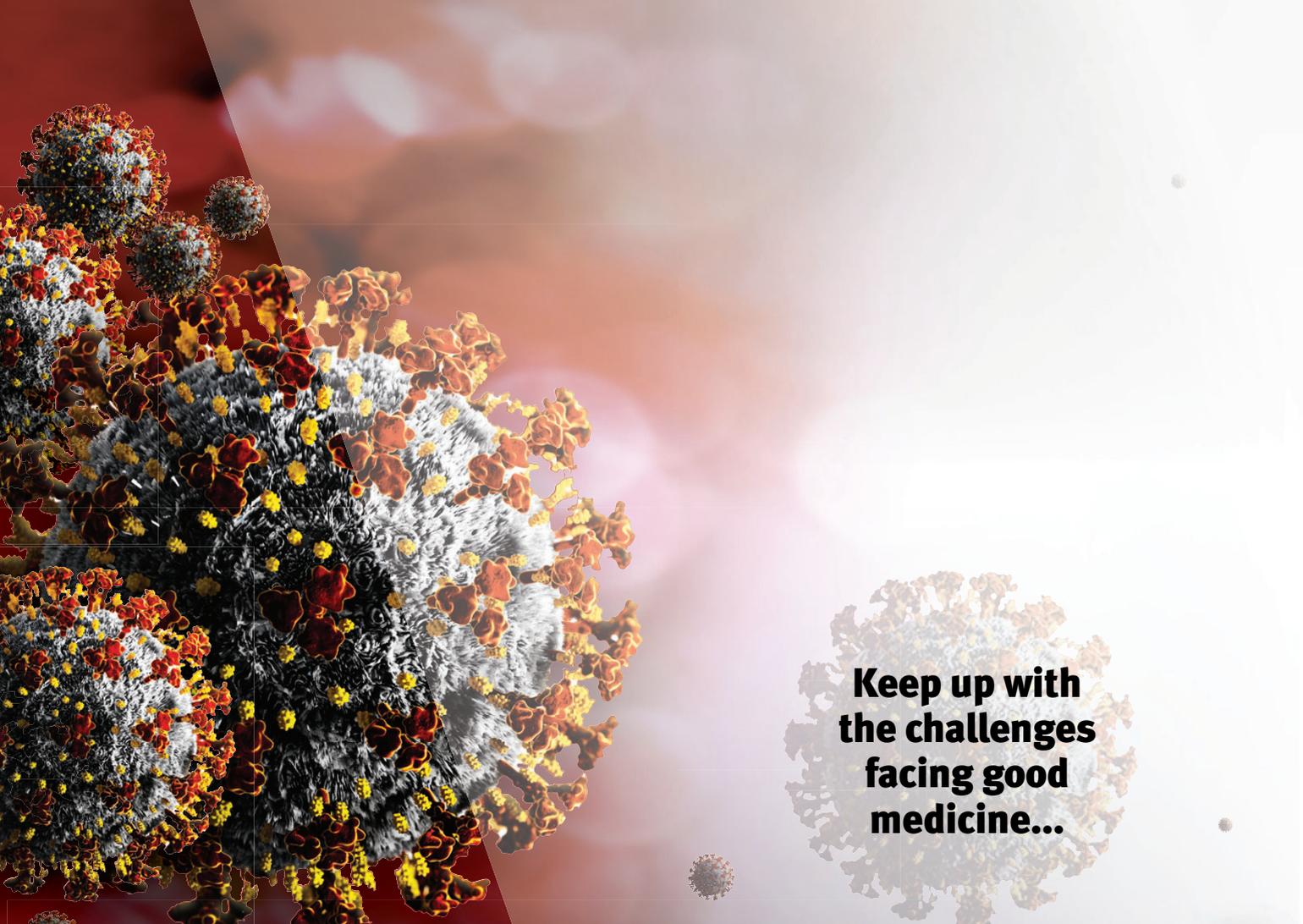
Both Perry and Schmelzer said they’re grateful for the opportunity to mix their avocation of music with their insurance vocations.

“I love both things that I do and the great people I have met through music and my career,” Schmelzer said. “I love the mission of the NCIGF and the people I work with, our members and those in the industry. The music involvement just adds another wonderful element to my job.”



INDUSTRY TALENT:

Roger Schmelzer, CEO of the National Conference of Insurance Guaranty Funds, has performed in cabaret shows, dinner theaters and Carnegie Hall.



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