

PROGRAM MARKETPLACE SOLUTIONS WITH GB: 5 QUESTIONS

The program industry has grown into a leading alternative to the traditional property and casualty marketplace. Today, billions in premium are placed with Program Administrators (PAs), MGAs, MGUs, and their carrier partners to address emerging business risks and deliver creative program designs. Claims administration is a critical component in delivering a complete solution. Gallagher Bassett teams with many of the industry's leading Program Administrators and specialty carriers to create partnered models that deliver superior results for policyholders and clients.



HOW CAN PARTNERING WITH A TPA ENHANCE A PROGRAM?

If the TPA has the requisite market expertise, prioritizes quality, is a cultural fit, and can demonstrate that their model drives enhanced outcomes, partnering with a TPA can take a program to the next level. At GB, in addition to investing in what matters to a PA, our offering also includes excellent client service support, innovative solutions, such as mobile applications, a strong focus on the policyholder's experience, and a deep analytics team committed to performance management. If the PA wants to differentiate themselves in a competitive market, partnering with a TPA is one way to do it.



WHY IS SUBJECT MATTER EXPERTISE SO CRITICAL IN THE PROGRAM SPACE?

The decision to deploy capital and attract outside investors is oftentimes streamlined when experienced operators sit in leadership positions across functions such as Claims, Underwriting, Product Development, and Finance. Subject matter expertise is key to attracting new customers, which fuels growth positive ROI. Gallagher Bassett helps PAs differentiate themselves, especially when it comes to the small and middle market. For example, it's one thing to understand third-party liability, workers' compensation, or professional liability. But bringing expertise over the nuances of those products and lines of business as they pertain to industry segments—retail/hospitality, healthcare, manufacturing, construction, and transportation—that is next-level credibility.



CAN NEW PROGRAMS BENEFIT FROM A PARTNERED MODEL?

Even startups can benefit from a partnered model. Oftentimes, a partnership can fuel geographic growth and support product expansion in a more efficient fashion than an internal claims function can. Understanding what the PA wants in today's claims management model and what features they need for a competitive advantage in the short and long term are great places to start. Most importantly, having strategic discussions with an experienced TPA well in advance of launching the program is a recipe for success.



HOW CAN SOCIAL INFLATION IMPACT CLAIMS AND UNDERWRITING PROFESSIONALS IN THE PROGRAMS SPACE?

The impacts of social inflation and nuclear verdicts can be extensive. Even programs that have been consistently profitable for decades are susceptible to a material shock loss. It's not a matter of whether the PA and their carrier partner are operating efficiently, but rather how the jury and/or jurisdiction is operating. Insureds in the transportation, real estate/hospitality, and construction industries are very active in identifying loss control and early intervention solutions to mitigate this risk. Identifying the potential for those verdicts and using resolution strategies to avoid them is part of what GB is focused on across our Carrier Practice and Specialty teams. We have had great success utilizing our Major Case Unit (MCU) and high-hazard industry specialists to engage early in the lifecycle with claims that have the characteristics to develop adversely.



HOW CAN A TPA PARTNER WITH PAs AND CARRIERS WHO HAVE THEIR OWN CLAIMS DEPARTMENTS?

In many cases, GB is able to supplement and enhance current capabilities. The objective is to be a true extension of a partner's risk management platform. GB works to support growth via the administration of new lines of business and specific jurisdictions or "overflow" claim volumes. Our model may deliver additional capabilities the PA is looking for—whether operationally focused to drive internal cost efficiency or market-facing to deliver a unique customer experience. We work jointly with the PA and carrier to develop a model that provides best-in-class results and benefits the entire partnership.

If you'd like to learn more about how Gallagher Bassett can provide specialized solutions for your business, connect with Amy O'Brien and Jon Stambaugh today.



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