# Going Beyond the Limits with Advanced Benchmarking Analysis

## Webinar: Wednesday, April 20 @ 11am EDT

- How do you measure the financial impact of inappropriate limit selection?

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"*My profit margins are already thin and I have no wiggle room left in my budget. **What's the impact to my business if I choose the wrong limit?**"*

# Today's Presenters

**Daniel Hobbs**
Director of
Product Management

**Dan Alvisi**
Client Relationship
Manager

**Jeffrey M. Cohen**
Executive Vice President,
Global Business Development

# Limit Adequacy

What happens when you marry insurance program benchmarking with relevant loss data?
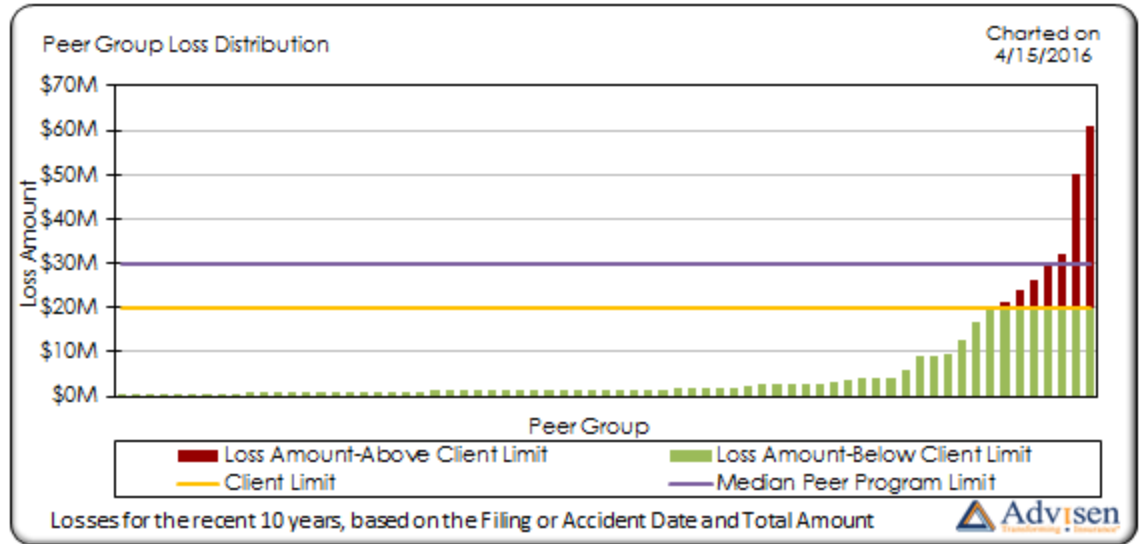
**NEW!**



## Limit Adequacy

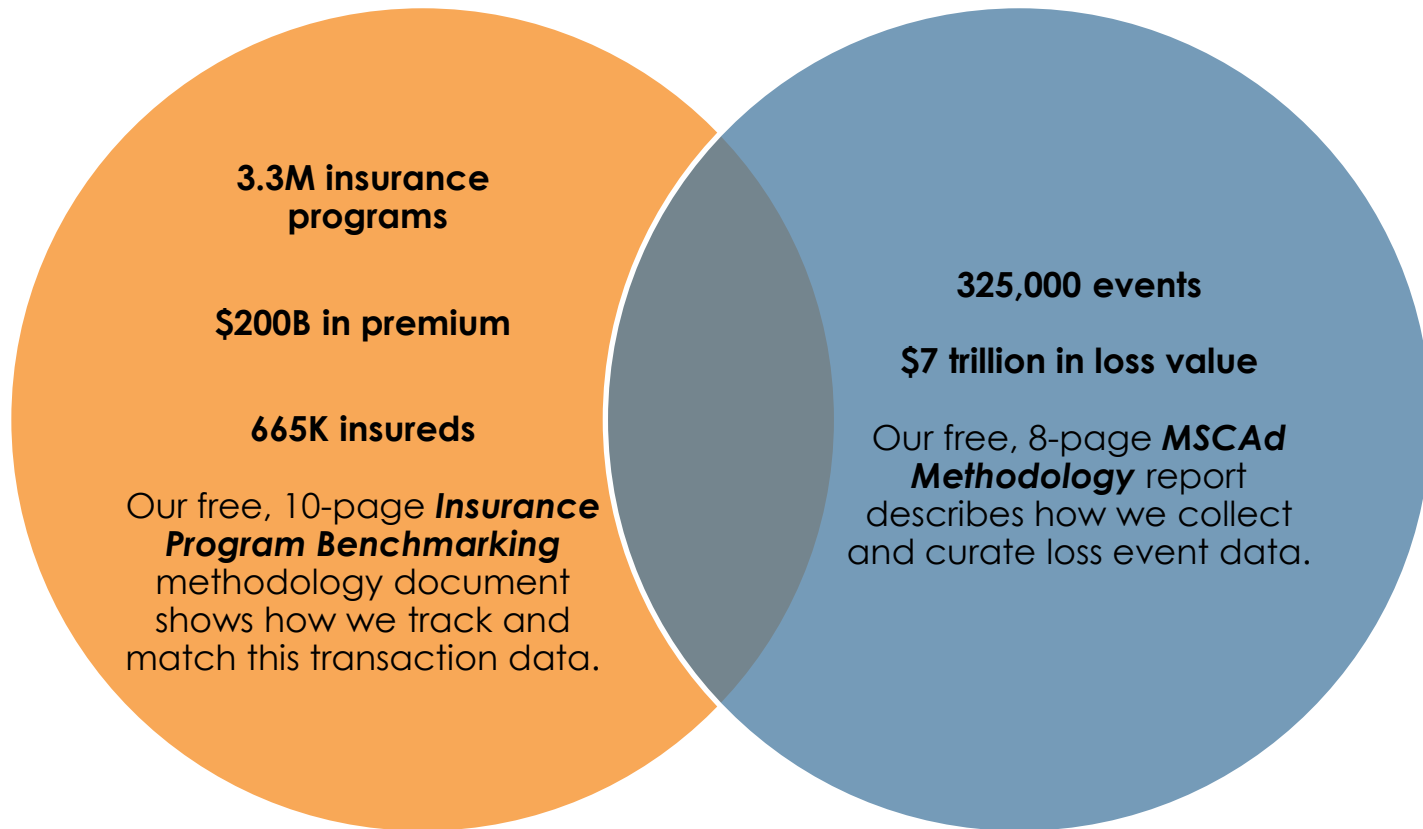**Client Limit**
# USD 20,000,000

**% of Settlements above Client Limit**
# 10%

**Average Amount in Excess of Client Limit**
# USD 14,857,143

Peer Group Loss Distribution

Charted on 4/15/2016

Loss Amount

$70M
$60M
$50M
$40M
$30M
$20M
$10M
$0M

Peer Group

■ Loss Amount-Above Client Limit ■ Loss Amount-Below Client Limit
— Client Limit — Median Peer Program Limit

Losses for the recent 10 years, based on the Filing or Accident Date and Total Amount

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# What Happens When You Combine Benchmarking Data and Loss Data?

**3.3M insurance programs**

**$200B in premium**

**665K insureds**

Our free, 10-page *Insurance Program Benchmarking* methodology document shows how we track and match this transaction data.

**325,000 events**

**$7 trillion in loss value**

Our free, 8-page *MSCAd Methodology* report describes how we collect and curate loss event data.
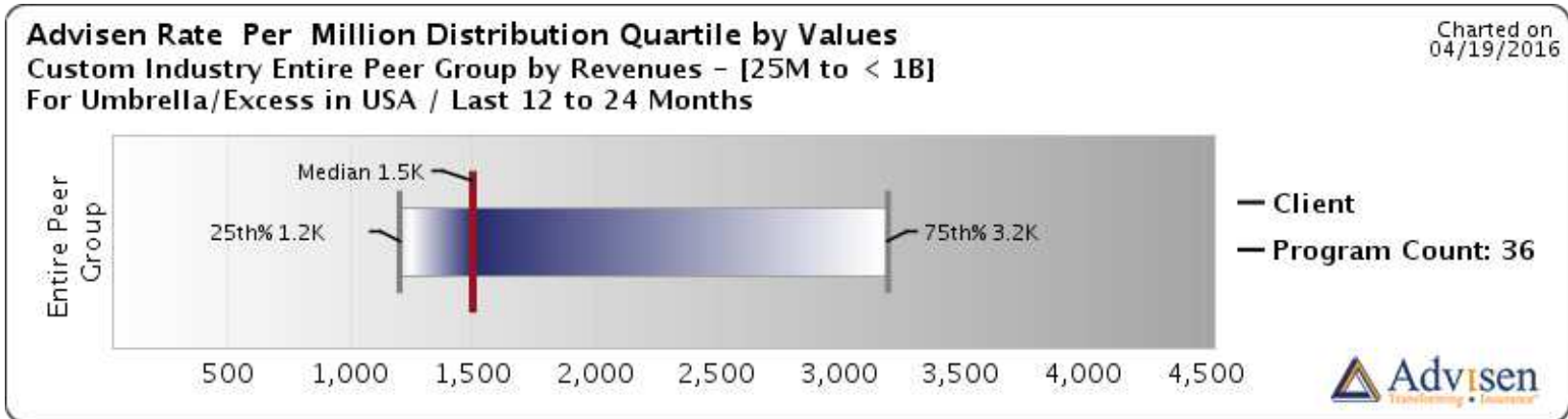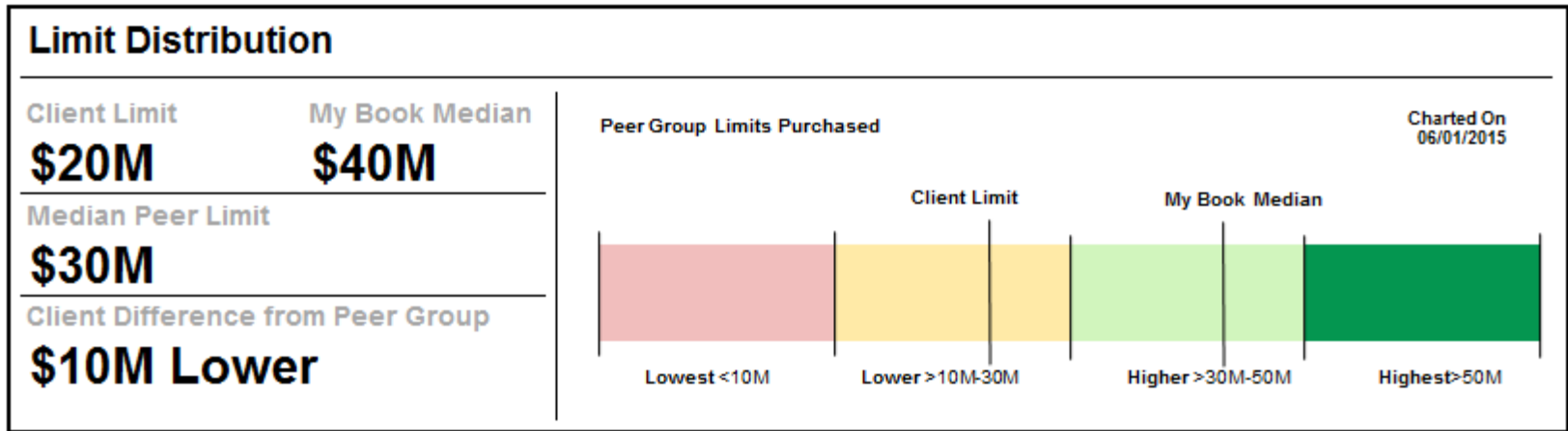
**DID YOU KNOW?**

In June 2014, Advisen received *US Patent 8762178 B2* for a benchmarking "system and method for providing global information on risks and related hedging strategies."

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# Insurance Program Benchmarking
## Determining Peer Limits & Rate per Million
## How much would that extra layer of coverage cost?



**Limit Distribution**

| Client Limit | My Book Median |
|---|---|
| **$20M** | **$40M** |

Median Peer Limit
**$30M**

Client Difference from Peer Group
**$10M Lower**

Peer Group Limits Purchased

Charted On 06/01/2015

Client Limit    My Book Median

Lowest <10M    Lower >10M-30M    Higher >30M-50M    Highest>50M

**Advisen Rate Per Million Distribution Quartile by Values**
Custom Industry Entire Peer Group by Revenues – [25M to < 1B]
For Umbrella/Excess in USA / Last 12 to 24 Months

Charted on 04/19/2016

Median 1.5K

Entire Peer Group

25th% 1.2K

75th% 3.2K

— Client
— Program Count: 36

500   1,000   1,500   2,000   2,500   3,000   3,500   4,000   4,500

# Placement Analytics

Which Markets are writing more of this cover than the other markets?

**NEW!**



Carrier Market Share Prior 4 Quarters

- AIG — 23.13%
- The Chubb Corporation — 15.9%
- ACE Limited — 14.05%
- Beazley PLC — 9.03%
- The Travelers Companies, Inc — 8.76%
- Markel Corporation — 6.94%
- Liberty Mutual Holding Company, Inc — 6.85%
- Ironshore, Inc. — 3.34%
- Cincinnati Insurance Companies — 1.83%
- Arden Holdings Ltd — 0.9%
- Rest of the Market — 9.27%

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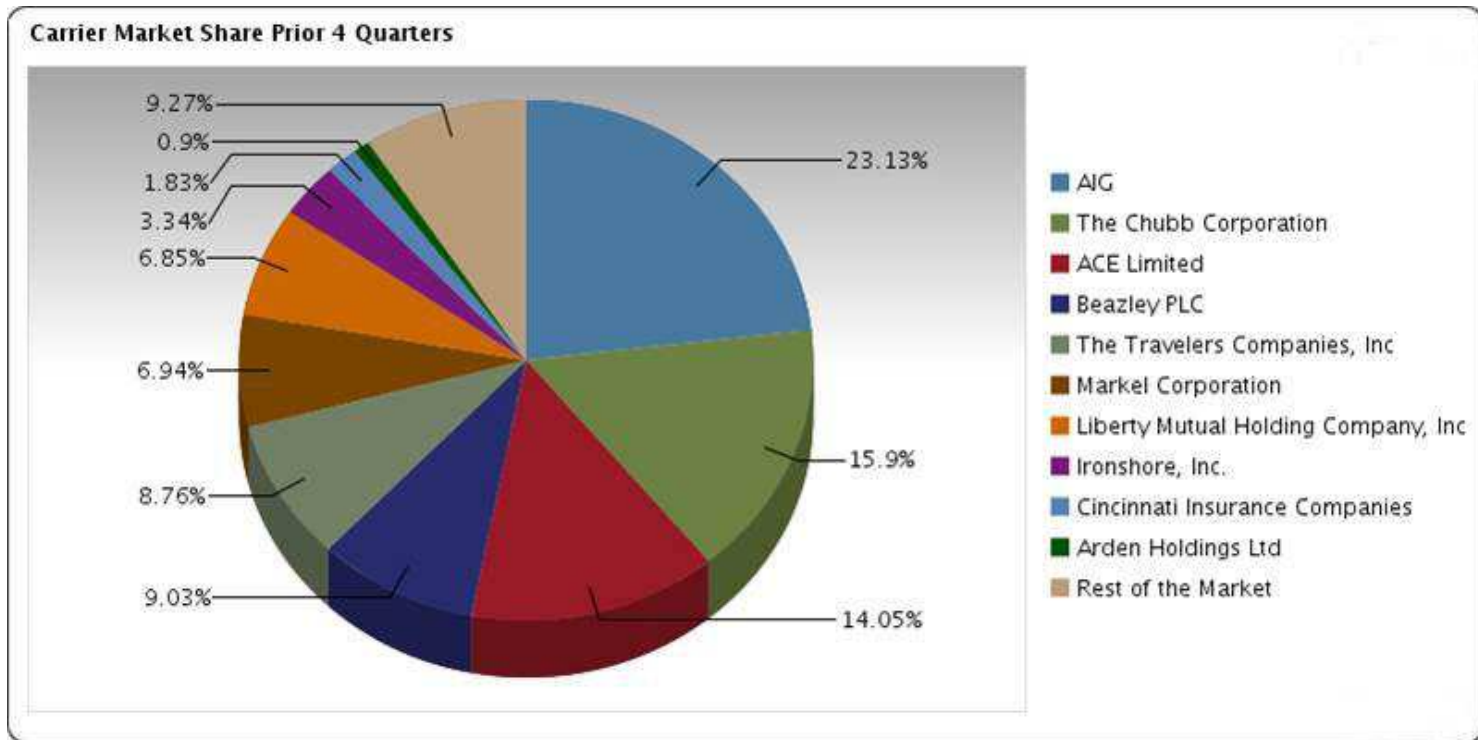
# Placement Analytics

Which Markets are writing a given coverage and at what attachment points?
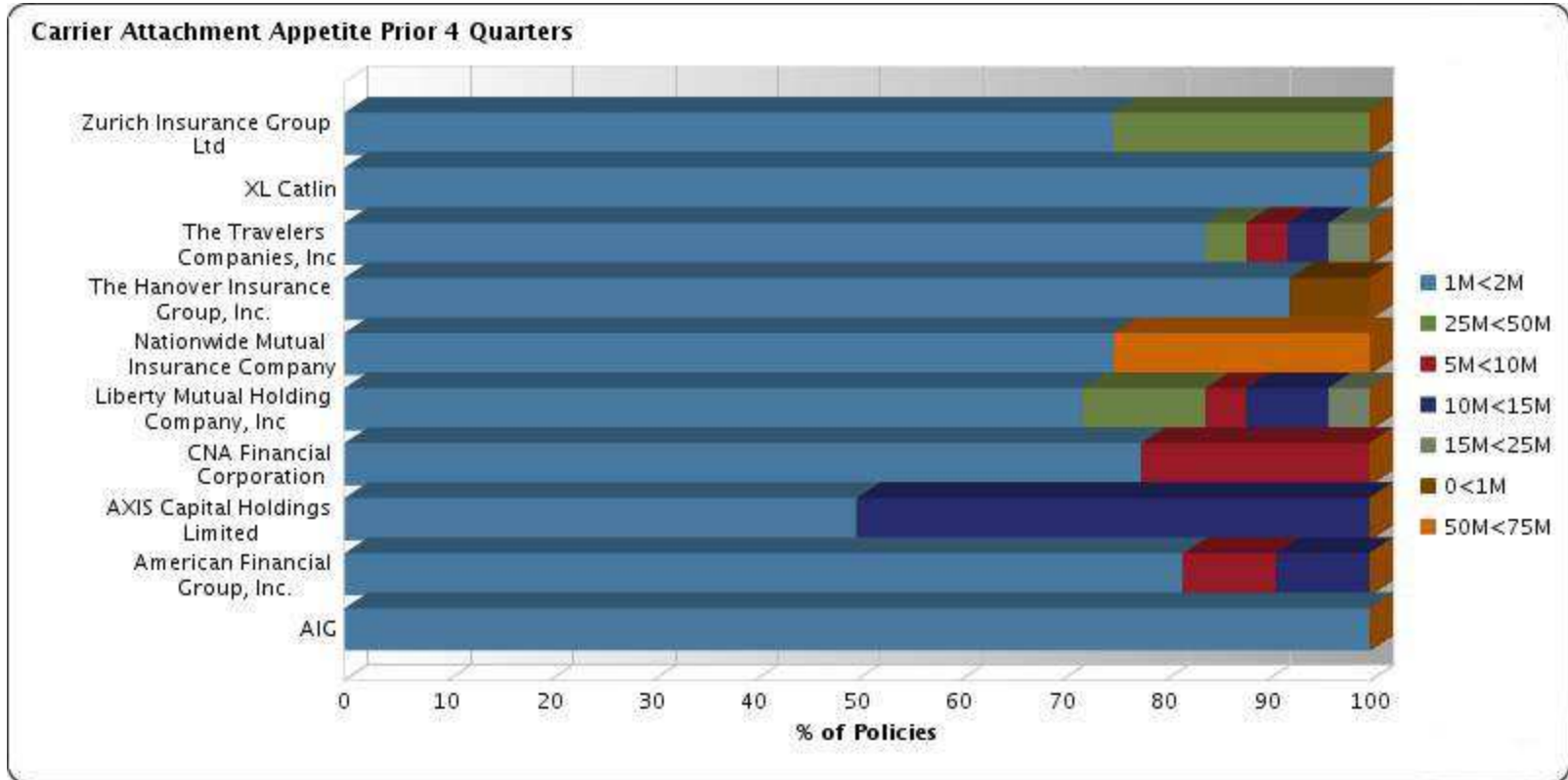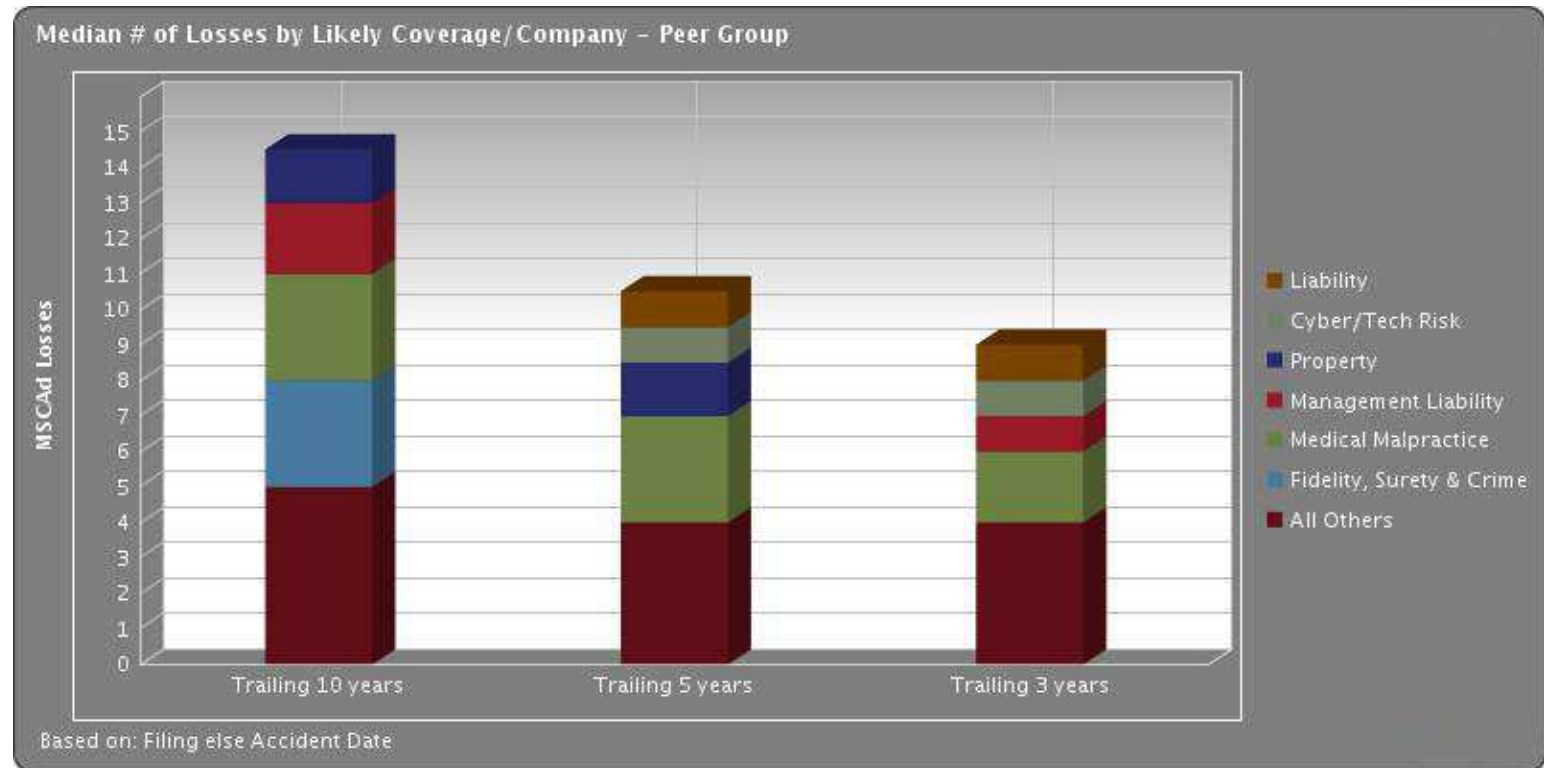
*NEW!*



Carrier Attachment Appetite Prior 4 Quarters

# Loss Benchmarking

**NEW!**

Compare a company's loss experience relative to its peer group to identify loss characteristics.

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Median # of Losses by Likely Coverage/Company – Peer Group

Legend:
- Liability
- Cyber/Tech Risk
- Property
- Management Liability
- Medical Malpractice
- Fidelity, Surety & Crime
- All Others

Categories: Trailing 10 years, Trailing 5 years, Trailing 3 years

Y-axis: MSCAd Losses

Based on: Filing else Accident Date
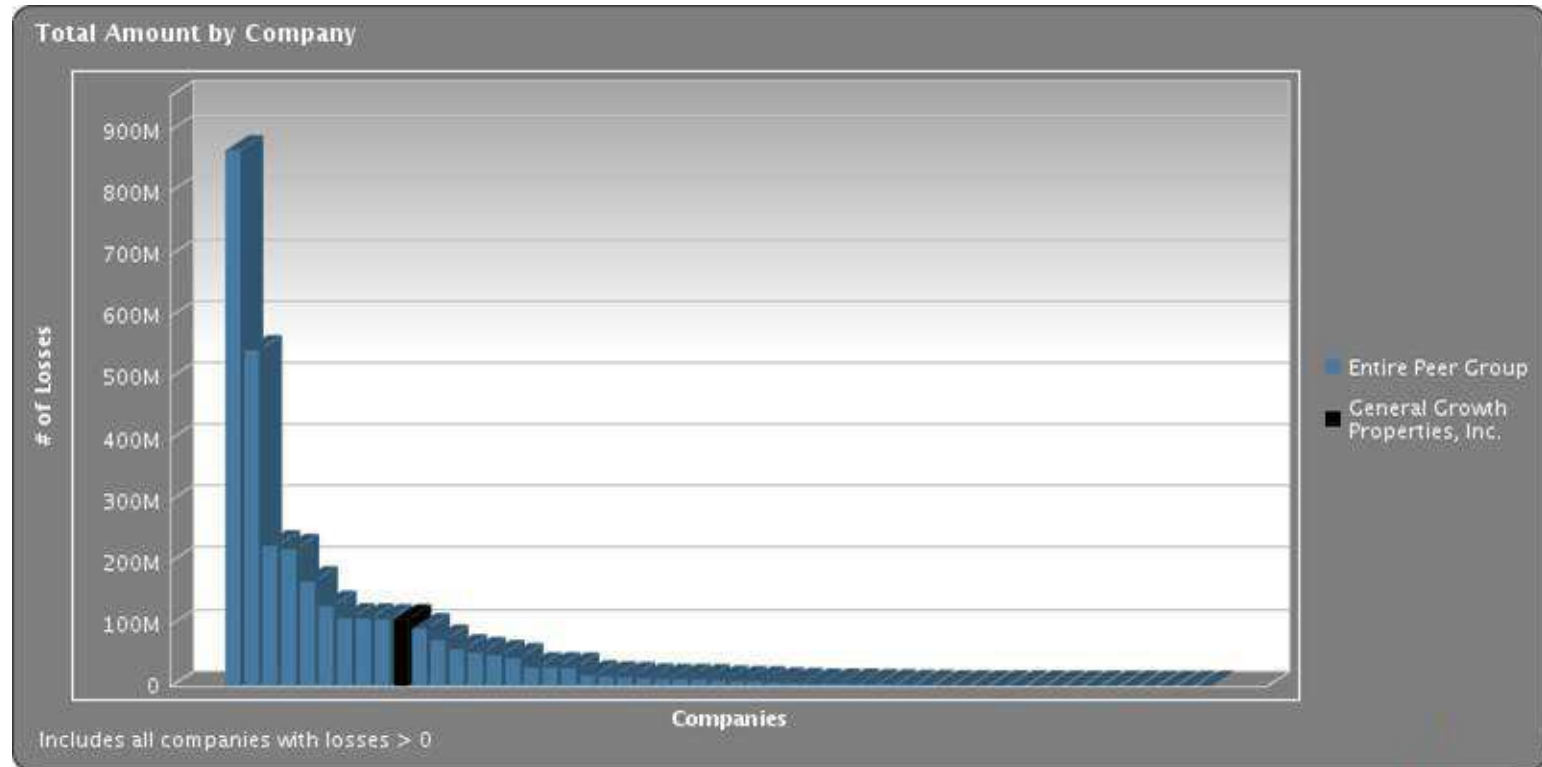
# Risk Insight for Insurance Buyers

## Client Insight Professional for Brokers
Includes Insurance Program Benchmarking and anecdotal Loss Data access

## Client Insight Expert for Brokers
Also adds Limit Adequacy, Loss Benchmarking, Placement Analytics

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# Q&A

Our next Client Insight Expert webinar will be on the following date:

Thursday, May 19, 2016

11:00 AM – 11:30 AM EDT
[Register](#)

# CONTACT US

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Leading the way to **smarter**
and more **efficient**
risk and insurance **communities**.

*Advisen delivers:*
the ***right information*** into
the ***right hands*** at
the ***right time***
to **power performance**.

# APPENDIX

# Advisen Benchmarking in a Nutshell

- **3.3M insurance programs**

- **$200B in premium**

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- **325,000 loss events across all industries and LOBs**

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# Conventional Loss Data Views
## Compare to Peers