



CELEBRATING
55 YEARS

nerej

Take control of your insurance information

July 11, 2008 - Spotlights

The premium generated by your property and casualty insurance is based on information. The better the information you present (your story), the better pricing and coverage you are likely to obtain from insurers. And who knows your story better than you!

Underwriters will not spend precious time and resources on your risk unless they receive as a minimum, a schedule of your properties that includes the age, type of building construction, number of stories, total units, and 100% replacement cost values. Also necessary are five years of liability and property loss runs. Underwriters also rely on plot plans, physical inspections and information available on the internet.

Your job is to supply your insurance broker with the information necessary to present your risk in the most favorable light so that an attractive submission can be made to insurers. For example, a poor loss history may be the result of non-recurring extenuating circumstances or claims at properties no longer owned. A story needs to be told that can explain the losses away.

Your broker will then organize and present the information to the insurance marketplace in an effort to convince underwriters to "buy" your risk. The more favorably the broker's submission portrays your risk characteristics, the better the result will be.

Underwriters want to write business, but they also like their jobs, so you need to help them justify the purchase of your risk so they can document their decision in the file. Don't be a passive participant. It is up to you to drive the process by controlling the information flow.

Al Shapiro, CPCU, ARM is a senior consultant at Albert Risk Management Consultants in Needham, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540