



# PROPERTY & CASUALTY & INSURANCE MARKET NEWS

Feb. 29 – Mar. 13, 2020

## P&C – Selected Stories

### **Fitch Sees Only ‘Modest Impact’ on U.S. P/C Insurance from Coronavirus**

The coronavirus outbreak is not currently anticipated to have a meaningful adverse impact on financial results reported by U.S. property/casualty companies, nor their ratings, according to Fitch Ratings. The nature of insured commercial exposures along with restrictive language embedded in policy contracts, will likely limit U.S. P/C carriers from a material level of claims, the analysts said. The most notable and immediate financial impact will be fluctuations in capital levels for companies with large common stock holding, given recent market downturns tied to the virus.

<https://www.insurancejournal.com/news/national/2020/03/03/559986.htm>

### **New Crawford & Co president in UK on driving a people agenda**

“My number one responsibility is to drive the people agenda. We’re in a people business and it’s our people who will make the biggest difference. So, I want to make sure that I make Crawford a great place to work, and part of that is listening to what our clients are telling us.” The industry is changing, so it is more important than ever to make sure that both clients and employees are being listened to. While responsibilities also lie within the P&L aspect of the business, if the people and the clients are taken care of, then the numbers will take care of themselves.

<https://simplenews.co.uk/foreign/new-crawford-co-president-on-driving-a-people-agenda/>

### **Worley Claims Services Announces Name Change to Alacrity Solutions to Reflect Strategic Growth and Innovation**

Worley Claims Services LLC, announced the launch of a new company brand and name to Alacrity Solutions Group effective immediately. The change reflects the company's broader commitment and its expertise in providing innovative claims management services in the property, auto and casualty claim marketplace.

<https://www.prnewswire.com/news-releases/worley-claims-services-announces-name-change-to-alacrity-solutions-to-reflect-strategic-growth-and-innovation-301020460.html>

### **Homeowners Fail to Protect Against Water Damage, Most Common Property Claim: Chubb**

There continues to be a disconnect between homeowner beliefs and behaviors, especially when it comes to protecting against the most common source of property-related damage: water. That’s according to the annual Chubb Homeowners’ Risk Survey, which found that when it comes to water damage, homeowners express concern about property protection yet continue to take a passive approach to risk management.

<https://www.insurancejournal.com/magazines/mag-features/2020/03/09/560416.htm?>

### **NAIC: Top P&C insurance groups and companies of 2019 in US**

NAIC’s data, to date, reveals the top 10 P&C companies collectively account for 47.44% of the market share. Additionally, the total direct written premiums for the P&C industry for all lines exceeded \$707 billion in 2019 — up from \$681 billion in 2018.

<https://www.propertycasualty360.com/2020/03/09/naic-top-25-pc-insurance-groups-companies-of-2019/>

### **Covid-19 declared catastrophe in Australia**

The Insurance Council of Australia (ICA) has declared the Covid-19 outbreak a catastrophe – and have launched a special taskforce to deal with virus-related issues and claims.

<https://insuranceasianews.com/50945-2/>

### **Consolidated Claims Group Announces Company Rebrand**

The changes reflect the company's continued evolution and expansion into a full-service partner that empowers insurance carriers to make faster, smarter, and better decisions throughout the policy life cycle.

<https://www.prnewswire.com/news-releases/consolidated-claims-group-announces-company-rebrand-301015693.html>

## P&C – Selected Stories

### **Crawford & Company selects global relationship leader**

Independent claims solutions provider Crawford & Company has appointed James Rayner as global relationship leader for multi-national corporate clients. Rayner will join Crawford & Company's global client development team as part of his appointment, a release noted. In his new role, he will be responsible for creating opportunities for business growth by developing corporate account planning, as well as further reinforcing relationships at both the executive and C-suite level of the insurance community. He will also help in the development of new solutions by leveraging the company's capabilities and technologies.

<https://www.insurancebusinessmag.com/asia/news/breaking-news/crawford-and-company-selects-global-relationship-leader-215815.aspx>

### **PLRB Claims Conference Cancelled Due to Concern Over Coronavirus**

A major insurance claims industry conference scheduled has been cancelled due to events related to the coronavirus. Other insurance conferences report they are monitoring the coronavirus situation and still planning to hold their events as scheduled.

<https://www.insurancejournal.com/news/national/2020/03/08/560536.htm>

### **Insurers impacted by coronavirus twice over**

Global insurers are now being threatened with coronavirus from two directions – a sharp increase in payouts and at the same time, significant investment losses. While initially a low level of claims was expected because epidemics are excluded from many business insurance policies, a recession that might be in the cards for the global economy puts companies with trade credit insurance, including airlines and retailers, under strain. This is happening alongside added pressure on insurers' investments, which comprise around \$20 trillion in assets alongside problematic big government bond holdings, according to Reuters.

<https://www.insurancebusinessmag.com/us/news/breaking-news/insurers-impacted-by-coronavirus-twice-over-216641.aspx?>

### **Nashville tornadoes destroy 140 properties**

CoreLogic's Tornado Path Map currently estimates that approximately 250 square miles were impacted by the damaging effects of the tornadoes, with Nashville being the most damaged. Based on researchers' current estimate of ravaged residential and commercial properties across a 50-mile-long stretch of Tennessee, CoreLogic says it expects the total damage to property from this event to exceed \$1 billion. Additionally, CoreLogic estimates that 22,389 structures had a 30% or greater damage probability from the 50-mile-long Tennessee tornadic event, which extended well beyond the Nashville area.

<https://www.propertycasualty360.com/2020/03/05/tornadoes-tear-through-nashville-destroying-140-properties-and-killing-at-least-24/?>

### **Euro storm season losses pass \$3bn, U.S. severe storms \$800m+ in Feb: Aon**

February saw some reasonable sized losses from severe weather events in Europe and the United States, according to insurance and reinsurance broker Aon, with industry losses from the month expected to eclipse US \$2 billion and European windstorm activity taking the seasonal loss to more than \$3 billion.

<https://www.artemis.bm/news/euro-storm-season-losses-pass-3bn-u-s-severe-storms-800m-in-feb-aon/>

### **LV= drops travel cover amid coronavirus pandemic**

"In light of the impact that coronavirus (COVID-19) is having globally, we've made the difficult decision to pause the sale of travel insurance to new customers. "We considered a number of options, such as excluding cover or increasing prices for new customers, but we believe temporarily pausing the sale of new policies and focusing on our existing customers is the right decision." Insurance giant Aviva, meanwhile, has revised its offering for new policyholders.

<https://www.insurancebusinessmag.com/uk/news/breaking-news/lv-drops-travel-cover-amid-coronavirus-pandemic-216614.aspx>

## P&C – Selected Stories

### **Crawford & Company unveils coronavirus helpdesk**

To help guide insurance carriers and brokers as the COVID-19 outbreak continues worldwide, Crawford has created a helpdesk function to ensure insurers can handle claims amid the developing global health crisis. Crawford & Company's "Coronavirus Claims Instruction and Technical Support Desk" will serve as a nerve centre to collect and broadcast the latest information on the virus's global impact, as well as the insurance industry's response to it.

<https://www.insurancebusinessmag.com/asia/news/breaking-news/crawford-and-company-unveils-coronavirus-helpdesk-216357.aspx>

### **McLarens Expands its Australian Presence to Adelaide, South Australia**

McLarens, announced the opening of its operation in Adelaide, South Australia. In addition to this new location, McLarens' growing presence in Australia consists of more than 40 loss adjusters and surveyors across seven strategically located offices including Sydney, Melbourne, Brisbane, Perth, Newcastle, and Byron Bay.

<https://www.mclarens.com/mclarens-expands-its-australian-presence-to-adelaide-south-australia/>

### **Cunningham Lindsey Philippines rebrands as TCS**

The independent claims specialist formerly known as Cunningham Lindsey Philippines has rebranded as Total Claim Specialists (TCS), which will function as a stand-alone company.

<https://www.insurancebusinessmag.com/asia/news/breaking-news/cunningham-lindsey-philippines-rebrands-as-tcs-215744.aspx>

### **Australia Faces Worsening Bushfires Without Climate Change Action: Report**

23,000 insurance claims with a value of A\$1.9 billion were filed from Nov. 8 to Feb. 14. Australia risks worse wildfires than this season's record-breaking blazes unless it reduces emissions and phases out fossil-fuel exports, climate scientists warned. In a report titled "Summer of Crisis," the Climate Council lobby group said Australian governments ignored warnings from scientists for at least a decade about an impending bushfire disaster.

<https://www.insurancejournal.com/news/international/2020/03/11/560826.htm>

### **ABI reveals Storms Ciara and Dennis payout estimate**

The Association of British Insurers (ABI) has released its expected payout amounts for Storms Ciara and Dennis. According to ABI's initial estimates, compensation for flood claims will reach £214 million – with £107 million going to domestic property; £85 million, commercial property; and £21.7 million, motor. As for windstorm damage, the estimated payout is £149 million. Of this sum, £77 million is forecast to be used for domestic property claims; £61 million, commercial property; and £11 million, motor. The total, then, is pegged at £363 million.

<https://www.insurancebusinessmag.com/uk/news/flood/abi-reveals-storms-ciara-and-dennis-payout-estimate-216223.aspx>

### **Timaru hailstorm was NZ's third costliest nat cat in 100 years**

Hailstorm-related damage has cost domestic insurers NZ\$83.3 million (US\$52.2 million) so far, with the final figures are expected to surpass this number. Extreme weather events in 2019 cost New Zealand insurers a bill for NZ\$118.8 million (US\$74.4 million) – with a total of 18,000 claims lodged. The year ranked as the country's sixth most expensive year for insurers since 2010.

<https://insuranceasianews.com/timaru-hailstorms-third-most-expensive-for-new-zealand/>

## Insurtech – Selected Stories

### **CMS strengthens commercial capabilities**

Collision Management Systems (CMS) has strengthened its commercial capabilities with the appointments of two new business development managers and a head of marketing. “With this expansion to our commercial team, CMS is even better placed to deliver solutions for employee and driver risk management to large fleets, commercial insurers and technology partners. At the end of 2019 we passed 100,000 connections to our platform, with this expanded team, we will quickly power past 250,000 connections as we help more organisations around the world manage incidents and risk better and make the working world safer.”

<https://www.claimsmag.co.uk/2020/03/cms-strengthens-commercial-capabilities/16235>

### **Everest Global Markets partners with Charles Taylor InsureTech**

Everest Global Markets has implemented Charles Taylor InsureTech’s Trax platform, a fully managed electronic claims files (ECF) write-back-enabled claims-management platform. Trax will enable Everest Global Markets to automate claims notifications and monitor ECF through its write-back capabilities. It will also help eliminate manual processes and data re-entry, Charles Taylor InsureTech said.

<https://www.insurancebusinessmag.com/us/news/technology/everest-global-markets-partners-with-charles-taylor-insuretech-215584.aspx>

### **Insurtech riding high in U.S. KPMG**

According to the report, fintech investment in the U.S. hit a record \$59.8 billion last year, which includes investments in mergers and acquisition, venture capital and private equity. Global fintech investment in 2019 decreased from the 2018 results, with \$137.5 billion invested across 2,693 deals.

<https://www.dig-in.com/news/insurtech-riding-high-in-u-s-kpmg?>

### **Coronavirus Outbreak Expands Risk of Cyberattack**

Work-from-home employees may be especially vulnerable to phishing expeditions. Aon said there have already been reports of phishing emails being sent out posing as alerts regarding COVID-19, which is the specific coronavirus that has infected an estimated 100,000 worldwide. A phish is used to implant malware in a computer that can give hackers an opportunity to demand a ransom or steal data.

<https://www.claimsjournal.com/news/national/2020/03/09/295883.htm>

### **How digital is shaping Asia’s P&C claims**

One of the key priorities ahead for the market is a digital transformation of P&C claims for both personal lines, SMEs and eventually even larger corporates as technological advancements changes the nature of claims payments. Digitising the claims processes means efficiency, effectiveness and multi-stakeholder collaboration via online platforms – to transform legacy systems of billing and claims applications. It will also aid in the push for new growth, business models and enhanced customer experience – using blockchain is one example.

<https://insuranceasianews.com/how-digital-is-shaping-asias-pc-claims-2/>

### **Claim Central Announces Full Release of TradesPlus Platform**

Claim Central Consolidated, a pioneer in digital claims fulfillment, announce the company has successfully deployed the TradesPlus cloud-based, connected claims and digital supplier management platform to top Florida insurers.

<https://coverager.com/claim-central-announces-full-release-of-tradesplus-platform/>

### **IAA and Screenshot to reduce claims cycle time**

The two combined IAA’s total loss claims and salvage solutions with Screenshot’s claims management platform to create one solution, from first notice of loss to sale at auction

<https://coverager.com/iaa-and-screenshot-to-reduce-claims-cycle-time/>



## Insurtech – Selected Stories

### **Lemonade Starts Fund to Encourage Socially Positive Use of AI, Data and Technology**

Digital insurer Lemonade has established a nonprofit foundation designed to promote the use of AI, data and software to build socially positive products and programs globally. Dubbed The Lemonade Foundation, the organization launches with \$20 million in seed funding by way of company shares donated as a founding endowment.

<https://www.insurancejournal.com/news/national/2020/03/05/560230.htm>

### **Allstate, Ford in telematics data partnership**

Allstate struck a deal with Ford, that will allow some of the automaker's customers to share data with the insurer for its program that tracks mileage. For years, insurers have used telematic devices that connect to cars or apps to gather the information. Allstate said it expects data collected directly from vehicles to eventually replace such devices.

<https://www.dig-in.com/articles/allstate-ford-in-telematics-data-partnership?>

### **5 claims tech trends to watch in the 2020s**

As we embark on a new decade, the question arises of how the insurance claims process will further evolve continuing the advances of the last decade. 5 claims trend to watch: Integrated Real-Time Data, Advances in image recognition, Driving FNOL fully online, Vehicle Telematics and Build data, Electronic claim payments

<https://www.dig-in.com/opinion/5-claims-tech-trends-to-watch-in-the-2020s?>

### **Zurich partners with insurance data company to enhance claims monitoring**

Zurich has announced a partnership with Carpe Data – which offers a claims monitoring system powered by alternative and emerging data – to improve claims processing efficiency and help in the detection of insurance fraud. Carpe Data's "ClaimsX" system will allow Zurich to leverage publicly-available data from the web to conduct real-time assessment of claims. Zurich can proactively audit injury claimants and identify cases wherein the claimant's profile does not match with the claim they filed, allowing the company to identify fraud. The system will also automate some of the decision making in the claims process, improving its efficiency.

<https://www.insurancebusinessmag.com/uk/news/technology/zurich-partners-with-insurance-data-company-to-enhance-claims-monitoring-216377.aspx>

### **Swiss Re collaborates with Microsoft in insurance innovation push**

Swiss Re has launched its Digital Market Center as part of the reinsurer's "strategic alliance" with Microsoft. Aimed at further advancing insurance innovation and extending financial protection to more people globally, the partnership features the new center which will help develop what were described as "next-generation, large-scale" tools designed to transform the way risks are predicted and managed.

<https://www.insurancebusinessmag.com/us/news/technology/swiss-re-collaborates-with-microsoft-in-insurance-innovation-push-216774.aspx>

### **India's Softbank-backed Paytm secures broking license**

India's Paytm, a Softbank-backed digital payments player, has received an insurance broking license from the Insurance Regulatory and Development Authority of India (Irdai). Paytm noted that they already have partnerships with 20 insurers and plan to add 30 additional ones in the coming weeks.

<https://insuranceasianews.com/indias-softbank-backed-paytm-secures-broking-license/>

### **omni:us increases Series A financing by \$13 million**

omni:us, the leading provider of Artificial Intelligence (AI) for cognitive claims handling, has received a further \$13M as part of its Series A financing to drive its expansion into the US market.

<https://coverager.com/omnius-increases-series-a-financing-by-13-million-driving-its-further-expansion-into-the-us-market-after-securing-amtrust-financial-services-inc-as-a-customer/>

## Acquisitions – P&C and more

### **Aon agrees to purchase Willis Towers Watson in \$30 billion deal**

Aon Plc agreed to buy Willis Towers Watson Plc in an almost \$30 billion transaction that combines the world's second- and third-biggest insurance brokerages. Brokerages, which help connect businesses looking for coverage with insurers, have been aggressively merging to diversify, boost commissions and serve customers who increasingly want to deal with fewer intermediaries. Marsh & McLennan, the largest broker, bought Jardine Lloyd Thompson Group Plc last year for \$5.7 billion. Willis Towers was itself formed in 2016 in an \$8.9 billion merger. The Aon deal "combines two highly complementary businesses into a technology-enabled global platform that is more relevant and responsive to client needs," the companies said in the statement.

<https://www.propertycasualty360.com/2020/03/09/aon-agrees-to-purchase-willis-towers-watson-in-30-billion-deal/>

### **Davies completes Keoghs tie-up**

Davies announced the completion of the deal to bring Keoghs in to the group, following regulatory approvals from the SRA. In January Davies announced its move in to the insurance legal services sector, with Keoghs, the insurance-focused, top-50 law firm. Keoghs is a leading provider of dispute resolution and risk services for the UK insurance industry across: motor, casualty, complex and specialty classes. The firm manages more than £1bn worth of insurer claims and resolves in excess of 100,000 claims per annum. Keoghs operates a defendant-only model, and works in partnership with leading insurers, MGAs, brokers, corporates and the public sector.

<https://davies-group.com/2020/03/10/davies-completes-keoghs-tie-up/>

### **Covéa to expand Asia reach after PartnerRe agreement**

Exor has entered into a memorandum of understanding under which Covéa, following a consultation with employee unions, has agreed to buy PartnerRe for US\$9 billion in cash. In 2018 11% of PartnerRe's US\$6.3 billion gross written premiums were written across Asia Pacific – it has a particularly strong presence in Australia, Japan and New Zealand. Fitch said the move reflects the potential for ownership by Covéa, a large P&C, health and life player, to benefit PartnerRe's ratings under a group credit approach.

<https://insuranceasianews.com/covea-set-to-expand-asia-reach-after-partnerre-agreement/>

### **Allianz acquires majority stake in ControlExpert**

Allianz X the digital investment unit of Allianz Group, in cooperation with Allianz Germany, has entered into binding agreements with General Atlantic and other shareholders of ControlExpert for majority investment in the company. The transaction is subject to the approval of the relevant antitrust authorities. ControlExpert is a multi-national market leader in AI-supported automotive claims handling that has partnered with more than 130 insurance companies, car dealerships, repair shops, leasing companies and OEM companies across 17 locations worldwide. The company offers an end-to-end platform for companies to digitalize and automate their motor claims management.

<https://coverager.com/allianz-acquires-majority-stake-in-controlexpert/>