

PROPERTY & CASUALTY & INSURANCE MARKET NEWS

Mar. 14 – Mar. 27, 2020

P&C – Selected Stories

Crawford & Company expands decontamination service

Crawford & Company has expanded its decontamination service to clean sites in the US that have been exposed to COVID-19, to be provided through its Crawford Contractor Connection division. The decontamination service offers organizations access to more than 700 licensed and insured biohazard contractors across America. Once organizations notify Crawford Contractor Connection, contractors can respond to requests within one hour. Crawford Contractor Connection's 24/7 call center serves clients in need of immediate site restoration, allowing businesses to restart their operations quickly and limiting business interruption.

<https://www.insurancebusinessmag.com/us/news/breaking-news/crawford-and-company-expands-decontamination-service-217628.aspx>

USAA, commit \$2.3M to military-focused and national nonprofits to support COVID-19 response

USAA and The USAA Foundation, have committed a total of \$2.3 million to military-focused and national nonprofits to support America's response to the coronavirus pandemic. This support is in addition to the \$2.1 million that USAA has directed to local nonprofits in USAA communities.

<https://www.prnewswire.com/news-releases/usaa-the-usaa-foundation-inc-commit-2-3-million-to-military-focused-and-national-nonprofits-to-support-covid-19-response-301030458.html>

AM Best to Test Insurers for Coronavirus Impact; Fitch Lowers Allstate Outlook

AM Best said it is developing stress testing that it will conduct on its rated insurance companies' balance sheets to gauge the impact of the COVID-19 virus fallout on their risk-adjusted capital levels, investment portfolios, reserve adequacy and other aspects of the risks borne by rated entities. Meanwhile, Fitch Ratings downgraded its outlook for Allstate from positive to stable citing uncertainty the coronavirus pandemic creates in the life insurance business.

<https://www.insurancejournal.com/news/national/2020/03/18/561473.htm>

Generali on track for targets despite huge coronavirus impact in native country

Italian insurer Assicurazioni Generali confirmed all its targets through 2021 after reporting a record operating result of €5.2 billion (around \$5.8 billion) for 2019. The insurer's home country has not fared well in the coronavirus outbreak, becoming one of the hardest hit countries in Europe.

<https://www.insurancebusinessmag.com/us/news/breaking-news/generali-on-track-for-targets-despite-huge-coronavirus-impact-in-native-country-216766.aspx>

Lloyd's Returns to Profit, Says in 'Strong Position' to Respond to COVID-19

While announcing a return to profit of £2.5 billion (US\$3 billion) for 2019, Lloyd's also affirmed that the market is in a strong position to respond to the impacts of COVID-19. "We have sharpened our focus for 2020, prioritising initiatives that will ensure around 80% of Lloyd's business is digitally supported, together with fast-tracking claims processing improvements and building the foundational data and technology infrastructure to support Lloyd's future ecosystem."

<https://www.insurancejournal.com/news/international/2020/03/26/562423.htm>

Construction industry feeling impact from COVID-19 slowdown

Construction industry experts report that it is only a matter of time before the effects of COVID-19 impact their business and future projects. "With the virus expanding in the US, I expect the impact on major construction activities to become more profound. As workers become infected, sick and quarantined, labor shortages could very well arise. This may delay and otherwise affect ongoing construction projects. Owners and contractors will be involving their lawyers and reviewing their contracts to determine their rights and obligations under those agreements."

<https://www.propertycasualty360.com/2020/03/23/construction-industry-feeling-impact-from-covid-19-slowdown/?slreturn=20200226174240>

P&C – Selected Stories

Crawford's Global Technical Services U.S. President Hunt to Retire

Crawford & Company, announced that Terry Hunt will retire from his role as U.S. President of Global Technical Services, effective May 15, 2020. According to Andrew Bart, global president, Crawford Global Technical Services, under Hunt's leadership, GTS has expanded its growth, service capabilities and has almost doubled the U.S. GTS adjuster team.

<https://www.insurancejournal.com/news/southeast/2020/03/17/561386.htm>

MAPFRE makes £4.6 million donation to coronavirus research

Global insurance company MAPFRE is donating €5 million to the Spanish National Research Council to aid in fully examining the current coronavirus pandemic.

<https://www.insurancebusinessmag.com/uk/news/breaking-news/mapfre-makes-4-6-million-donation-to-coronavirus-research-218038.aspx>

Pressure Builds on Insurers to Be Part of Coronavirus Business Solution

While legislators in Washington and states try to fashion financial relief for businesses interrupted by the public health actions related to coronavirus, outside pressure is mounting on private property/casualty commercial insurers to do more than explain why insurance coverage is mostly not available. A group of 18 members of Congress has asked the property/casualty insurance industry to pay business interruption claims, even where their customers' policies exclude such coverage. Insurers declined, telling lawmakers that most business interruption policies "do not, and were not designed to, provide coverage against communicable diseases such as COVID-19."

<https://www.insurancejournal.com/news/national/2020/03/20/561835.htm>

Australia's summer loss bill surpasses US\$2bn

Australia's summer nat cat claims bill for insurers and reinsurers has climbed to A\$3.5 billion (US\$2 billion). Last summer three nat cats declared by the Insurance Council of Australia (ICA) over the 2018-19 summer period had surpassed A\$2.2 billion (US\$1.57 billion) in claims by the end of March. In addition to the nat cats, Australia's market is now grappling with the fallout from the impact of Covid-19.

<https://insuranceasianews.com/australias-summer-loss-bill-surpasses-us2bn/>

Marsh reports increase in cyber insurance purchases

The number of U.S.-based Marsh clients that purchased cyber insurance increased to 42% in 2019, from 38% in 2018. Leading buyers of cyber insurance in 2019 continued to be education, health care, hospitality and gaming, and the communications, media and telecommunications industries. Hospitality, manufacturing and the education industries all reported cyber growth rates of at least 30%, according to the report.

<https://www.businessinsurance.com/article/20200325/NEWS06/912333710/Marsh-reports-increase-in-cyber-insurance-purchases>

Gallagher Bassett creates coronavirus task force

GB's "Global Coronavirus Task Force" is comprised of business experts across major injury exposures. The team, has three main objectives: maintain the seamless delivery of GB's service offerings; protect GB's other teams around the globe from exposure to the virus; and handle the claims of end clients related to potential COVID-19 exposure.

<https://internewscast.com/gallagher-bassett-creates-coronavirus-task-force/>

Covid-19 BI losses for small firms could hit \$383bn per month, warns APCIA

American Property Casualty Insurance Association (APCIA), has said that business continuity losses from the COVID-19 pandemic for small businesses with fewer than 100 employees, could reach as much as USD 383 billion per month.

<https://www.reinsurancene.ws/covid-19-bi-losses-for-small-firms-could-hit-383bn-per-month-warns-apcia/>

P&C – Selected Stories

Crawford TPA: Broadspire announces new Crisis Support Solution

The solution offers specialized TPA services including claims intake and triage, benefits management, medical management, and reporting capabilities that help businesses respond during any global or regional crisis.

<https://www.crawco.com/resources/crawford-tpa-broadspire-announces-new-crisis-support-solution>

Jobless claims soar past 3 million to record high

Americans displaced by the coronavirus crisis filed unemployment claims in record numbers last week, with the Labor Department reporting Thursday a surge to 3.28 million. The surge comes amid a crippling slowdown brought on by the coronavirus crisis.

<https://www.cnbc.com/2020/03/26/weekly-jobless-claims.html?>

Gallagher Bassett Releases Interactive Map of State Administrative News and Information

Gallagher Bassett announced a state-by-state interactive map to help you navigate the changing legal landscape during the pandemic. State guidance and other governmental instructions are changing rapidly in response to COVID-19. This interactive map format provides an easy-to-use and convenient survey of pertinent employment related governmental information relevant to the pandemic.

<http://news.gallagherbassett.com/BN-Interactive-Map-of-Legal-Updates>

Singapore saw 7.6% GWP growth last year, but claims increased

The General Insurance Association of Singapore said the sector achieved stable growth with 7.6% annual growth in gross written premiums, totaling S\$4.1 billion (US\$2.83 billion) as of December 31 2019. The sector paid out 12.2% or S\$159 million (US\$110 million) more in insurance claims in 2019, which contributed to the sector recording an underwriting loss of S\$28 million (US\$19.4 million).

<https://insuranceasianews.com/singapore-saw-7-6-gwp-growth-but-claims-increased/>

PERILS puts industry loss from Storm Sabine (Ciara) at €1.6bn

Catastrophe loss data aggregator PERILS has released its initial loss estimate for extratropical cyclone Sabine (also known as Ciara), putting re/insurance industry losses at €1.551 billion (US \$1.680 billion).

<https://www.reinsurancene.ws/perils-puts-industry-loss-from-storm-sabine-ciara-at-e1-6bn/>

Virus Impact on Workers' Compensation Limited But Some Workers May Be Covered

The outbreak of coronavirus has already resulted in some workers' compensation claims and more are expected. But whether those claims are going to succeed depends on the individual circumstances and the state where the infection occurred. While compensability issues will play out case-by-case, workers' compensation insurers in at least two states have decided that they will guarantee workers' compensation benefits for health care workers and first responders.

<https://www.insurancejournal.com/news/national/2020/03/17/561278.htm>

QBE North America Donates 95,000 3M Masks to US Hospitals to Aid in Battle Against COVID-19

QBE North America announced it will help support healthcare workers in the fight against the COVID-19 pandemic by donating 95,000 3M standard ear loop face masks to hospitals around the country.

<https://www.prnewswire.com/news-releases/qbe-north-america-donates-95-000-3m-masks-to-us-hospitals-to-aid-in-battle-against-covid-19--301029834.html>

Insurtech – Selected Stories

CodeBlue partners with Livegenic on virtual claims

CodeBlue and Livegenic announced they have entered into a strategic partnership in a way that provides insurance carriers and their policyholders with a virtual claims experience that occurs immediately during the first notice of loss. Livegenic's remote video capture will be embedded in CodeBlue's 24x7x365 contact center operations to offer the policyholder a more active engagement with the claim during the first notice process. By providing this unparalleled loss documentation, including close-up videos of the cause of loss, still photos, and measurements, insurance carriers will be able to verify coverage remotely – thereby eliminating the latency that is typically associated with conventional claims management by removing the need to physically visit the loss site.

<https://coverager.com/codeblue-partners-with-livegenic-on-virtual-claims/>

P/C Insurers Score Low for Innovation, While Reinsurers Do Better: AM Best

In an initial test of its new innovation assessment scores, AM Best found that only 1 percent of rated property/casualty insurers merit scores high enough to categorize them as innovation leaders, according to a recent report. AM Best categorizes insurers and reinsurers receiving overall scores less than 12 in the “minimal innovation” category. The next lowest category is “moderate,” which indicates those insurance organizations with total scores in the 12-17. According to the report, 50 percent of all insurers and 61 percent of P/C insurers fall in the moderate category.

<https://www.insurancejournal.com/news/international/2020/03/18/561456.htm>

Insurtech Understory expands parametric hail insurance

Understory, an insurtech operating in weather and data analytics, has expanded its new supplemental hail insurance product for automotive dealers in five new states: Arizona, New Mexico, Ohio, Pennsylvania and Wyoming. The company launched Auto – Hail Safe in November 2019. With the expansion the product is now available to dealerships in 18 states. It is a parametric hail insurance product that allows automotive dealers to cover vehicles damaged in a hail storm. Understory's sensor networks track weather in real-time, collecting data that insurers can use to streamline and execute processes based on actual property-damage information.

<https://www.dig-in.com/news/insurtech-understory-expands-parametric-hail-insurance?>

Zurich partnership targets improved claims processing efficiency

Zurich will leverage Carpe Data's ClaimsX monitoring solution to use publicly available web data for real-time assessment and automated decision making. Through ClaimsX, Zurich is able to proactively audit injury claimants and identify cases where the claimant's profile is at odds with the claim presented.

<https://www.reinsurancene.ws/zurich-partnership-targets-improved-claims-processing-efficiency/>

Hi Marley files Form D with the SEC

Boston-based Hi Marley filed its Form D with the SEC in connection to an equity round totaling \$7.99 million. It offers a texting platform to improve workflows in Auto and Property claims.

<https://coverager.com/hi-marley-files-form-d-with-the-sec/>

Risk management tech firm launches coronavirus tracker

Riskconnect Inc. has released a coronavirus tracker to help its customers address risk impacts caused by COVID-19, the Kennesaw, Georgia-based firm said. The risk management information systems provider said with the tracker, customers can track the spread of the virus in relation to their business assets, prioritize risk and mitigation procedures and manage workflows in real time with a single platform.

<https://www.businessinsurance.com/article/20200319/NEWS06/912333611/Risk-management-service-Riskconnect-Kennesaw-Georgia-launches-coronavirus-COVID-1>

Insurtech – Selected Stories

Ageas UK partners with Tractable

Tractable, the London-based company offering an AI solution to assess car damage and estimate repair costs, has picked up a new partner. After successful trials in 2019, Ageas UK will use the solution to support some of the complex tasks that a human assessor would normally carry out when evaluating vehicle damage. So far, Tractable's AI has processed over \$1 billion in auto claims for different insurers, including Covéa, Tokio Marine, and Talanx-Warta.

<https://coverager.com/ageas-uk-partners-with-tractable/>

COVID-19 spurs jobs for robots, drones, other technologies

Robots, drones, and other technologies are being deployed in the fight against COVID-19, introducing new opportunities, challenges, and risks. From “tele-health” solutions that facilitate care from a distance to robots that disinfect facilities to drones that help manage crowds, the pandemic is spurring novel uses of existing technologies and could lead to new ones as nations, companies, and communities try to be better prepared for the next outbreak.

<https://www.iii.org/insuranceindustryblog/covid-19-spurs-jobs-for-robots-drones-other-technologies/>

Insurtech firm Sapiens partners with HazardHub

Sapiens International Corporation, has entered into a partnership with HazardHub, a third-generation provider of property-level hazard risk databases. As part of the agreement, HazardHub's sets of risk data will be integrated into the Sapiens CoreSuite for Property & Casualty. This is comprised of three integrated components to improve carriers' underwriting efforts, namely policy, billing and claims.

<https://www.reinsurancene.ws/insurtech-firm-sapiens-partners-with-hazardhub/>

How Intact will handle claims in an era of social distancing

Intact is assuring clients and brokers that they are “working around the clock” to keep the claims journey moving forward with as little interruption as possible. “For example, we have implemented temporary changes to our claims process including, when possible, leveraging electronic payments so that we can get money to customers faster and easier.” Also, the company said, digital solutions will allow Intact customers to send and receive documents, as well as include electronic signatures.

<https://www.canadianunderwriter.ca/claims/heres-how-intact-will-handle-claims-1004175793/>

Intelligents Adds Infinilytics to Marketplace for Next-Generation Claims Processing Capabilities

Infinilytics' Charlee provides four insights in managing insurance claims, including best practices, red flag alerts, quality control (QC) alerts, and litigation prediction. Leveraging AI, Charlee serves as an “early warning system,” identifying hidden patterns or insights which help to expedite or fast track the claims process and predict which claims may eventually lead to litigation. Charlee literally predicts litigation thereby allowing for mitigation early on in the claims process. Specifically, Charlee is designed to help reduce allocated loss adjustment expense (ALAE) and claims severity.

<https://finance.yahoo.com/news/intelligents-adds-infinilytics-marketplace-next-155308519.html>

Farmers Insurance piloting human-like VR training

About two years ago, Farmers Insurance Exchange started using virtual reality to train claims adjusters. The technology created, in virtual space, actual conditions that employees face in the field. It proved successful at speeding up employee training, and a more advanced approach is being piloted. Farmers is so convinced of the usefulness of VR training tools, it is investing in the firm that makes them. VR training does not completely replace field training, but it speeds up an adjuster's readiness. It also reduces the travel needed for training adjusters at various offices.

<https://searchhrsoftware.techtarget.com/news/252480754/Farmers-Insurance-piloting-human-like-VR-training>

Acquisitions – P&C and more

Aon and Willis Towers Watson Say Merger Is All About ‘Getting Better, Not Bigger’

There are several talking points that are evident about the planned merger of broking giants Aon and Willis Towers Watson. First, it’s not about getting bigger; it’s about getting better. And, second, it’s about addressing unmet client needs. But it indeed will get bigger – creating the largest international insurance broker – merging under the name Aon. “Our combined firm will accelerate innovation on behalf of clients and be better able to deliver more value to all stakeholders. And while we will be bigger, yes, that’s not what this transaction is about. This is about better.”

<https://www.insurancejournal.com/news/national/2020/03/10/560787.htm>

P/C Insurers Expect Smaller M&As to Continue in 2020

Despite a sharp decline in M&A activity in 2019 and continuing economic uncertainty, more than half of the property/casualty insurance executives surveyed by Deloitte still expect to complete an M&A transaction in the next two years.

<https://www.insurancejournal.com/news/national/2020/03/13/561094.htm>

Florida Insurers Omega, Tower Hill Select to Merge into Tower Hill Signature

A proposed merger of Florida-based insurers Omega Insurance Co. and Tower Hill Select into Tower Hill Signature Insurance Co. has been approved by Florida regulators. The merging entities are part of the Tower Hill Group of companies that also include Tower Hill Preferred Insurance Co. and Tower Hill Prime Insurance Co. The group is among the largest residential insurers in Florida with more than 1.7 million policyholders in the state, according to the company website. It has written business in the state since 1972. Tower Hill is represented by more than 850 insurance agencies throughout the state, offering personal and commercial lines coverage.

<https://www.insurancejournal.com/news/southeast/2020/03/27/562558.htm>

CCG IQ Expands Services Through Strategic Acquisitions

CCG IQ, a leader in tech-enabled insurance services, continues to gain momentum and a national presence in the underwriting space through the recent acquisitions of JMI Reports, The UIS Group, and Cox & Smith Risk Management. CCG IQ, formerly Consolidated Claims Group, was traditionally in the claims space with its HVAC claims assessment brand, HVAC Investigators, and specialty electronics claim assessment solution, StrikeCheck. Leaders saw a need for underwriting assessments that were more consistent and timelier and knew their technology and service model could solve it.

<https://www.prnewswire.com/news-releases/ccg-iq-expands-underwriting-services-through-strategic-acquisitions-301030103.html>