

When selecting a broker... biggest isn't necessarily best

One of the most important decisions a company makes is **selecting their insurance broker**. Most large companies have **brokers rather than agents** so they can obtain coverage from a number of different insurance carriers rather than just one. An agent is a representative of one insurance company.

Some **key questions** to ask prospective brokers are:

- ⇒ How will they **structure your company's insurance program**?
- ⇒ How will they **market your company to the insurance carriers**?
- ⇒ How creative are the individuals on the team -- can they provide examples of how they have enhanced another company's insurance coverage and reduced the insurance costs to make the program more **cost effective**?
- ⇒ Who is **the team** that will service *your* account?
- ⇒ Do they have **experience in your industry**?
- ⇒ Does the firm have **global capabilities** (necessary if your company has operations outside the US)?
- ⇒ Do they have a **timeline** of all activities they propose?
- ⇒ What are the firms capabilities in the following areas:
 - **Claim Advocacy** - claim specialists to help difficult claim situations
 - **Claim Reviews** - reserve, claim closure and best practice reviews
 - **Loss Control** - specialists to help develop **strategic plans** in:
 - Ergonomics specialists
 - Repetitive Motion Injuries specialist
 - Loss Trend Analysis
 - Slip & Fall Prevention
 - Air Quality Programs
 - Lock-out/ Tag-out Expertise
 - Safety Consulting on key OSHA Requirements
 - Safety Culture Consulting
 - **Post-Loss Cost Containment** - systems to reduce WC costs
 - **Insurance Policy Review**
 - **Coverage Analysis**
 - **Certificate of Insurance Distribution**
- ⇒ What are the RIMS Capabilities (**Risk Management Information Systems**)?
- ⇒ Do they have experience with **your existing carrier**?
- ⇒ **Fees and remuneration** -- are incentive-based options possible?
- ⇒ Do they have **captive affiliates**?
- ⇒ Are there **industry groups** for your industry?
- ⇒ Are there other services that **differentiate** their firm?

These are some of the things you will evaluate when selecting the best broker for your needs. The biggest broker isn't necessarily the most qualified for YOUR situation, so meet with several to make sure their capabilities meet your needs.

When Selecting a Broker

www.ReduceYourWorkersComp.com

For more information and tools, see <http://www.reduceyourworkerscomp.com/choose-insurance-broker-wisely.php>. There are several free forms and tools on the site.

Robert Elliott, senior vice president with Amaxx Risks Solutions, Inc. has worked successfully for 20 years with many industries to reduce Workers' Compensation costs, including airlines, health care, manufacturing, printing/publishing, pharmaceuticals, retail, hospitality and manufacturing. He can be contacted at: Robert_Elliott@reduceyourworkerscomp.com and at 860-553-6604.