J.W. Terrill moderated the Excess Carrier panel in New Orleans for the Self Insurance Institute of America. The panel featured Safety National, Midlands Management and Arch. Overview of the session:

- Midwest Employers regained the #2 premium rank from ACE. Once again St. Louis leads the Excess Market with #1 Safety National and #2 Midwest Employers.

- Excess carriers are focused on providing value added services beyond price and retention, outstate Workers’ Compensation Coverage for self-insured groups is the top draft pick for SIG’s.

- California is 20% of the Excess Market and #2 Midwest Employers is not participating. Key challenges include presumptive claims in the municipal area (Heart & Lung) and Concentration of risk with Earthquake exposure.

- Selling your account to the market-provide 10-20 year loss data if available and tell your story.

- Themes from national Carriers that have jettisoned Excess Workers’ Compensation
  - Not Focused on line (Throw in Coverage)
  - Lack of TPA Oversight
  - Inadequate Loss Reserves
  - Heterogeneous Self Insured groups were problematic
  - Run off of the 1990’s underwriting years continues to be a problem with low retentions

- Significant new alternative reinsurance capacity has not impacted this 30+ year long tail line, only short tail property insurance

- MGA model of underwriting Excess Workers’ Compensation vs. Direct Carrier Underwriting:
  - MGA Model has 2 sets of eyes on the book
  - Critical for both models to oversee TPA’s and claim development
  - Significant challenges if an excess Workers’ Compensation MGA would need to find another excess carrier partner