Benchmark Commercial Insurance Against 275,000 Companies

Preparing for renewals? When a client says, “Show how my $30M excess liability limit compares to those in place for similar organizations,” how do you respond? Advisen now has over 1.25 million commercial insurance programs stored online. Compare current and historical premiums, limits and retentions as well as rate on line and other similar ratios. No other source has more data to help you with renewals.

Advisen Benchmarking answers these simple questions: What do other companies buy? How much do other companies pay for similar coverage?

**WHO USES BENCHMARKING?**

Brokers use this functionality to show how a given quote compares to the rest of the market. Brokers also use Benchmarking to show a client or prospect how their current insurance program compares to similar companies. Advisen clients use Benchmarking to supplement their ability to analyze program structures and costs.

Used with Advisen’s Large Loss database, known as MSCAd for Master Significant Cases and Actions database, Advisen delivers a powerful view of what coverage companies buy and why they buy it. MSCAd is a collection of over 30,000 loss events totaling $900 billion. It is searchable and sortable so that you can easily produce a few Employment Practice liability cases that potentially would have triggered your Healthcare client’s EPL limits. Our clients continue to tell us that the easiest way to support their coverage recommendations is to produce a short list of cases to illustrate similar losses at similar companies.

Risk Managers use Benchmarking to provide independent verification of where the markets are. When senior management or the Board of Directors wants to know what other peer companies pay for coverage, Benchmarking provides clear answers. And while no one broker services all clients in all sectors, Advisen pools contributed books of business together for a timely macro view.

Let’s review what Umbrella limits were purchased by companies with annual revenues between $500 million and $1 billion. The histogram below is based on 688 data points that fit these criteria. Each data point represents the limit value of a program for Umbrella cover belonging to a company in the specified revenue range. The chart below shows that the largest component of the sample group has an Umbrella limit between $20 million and $30 million, but many others choose to purchase greater limits.
All of Advisen’s Benchmarking charts and Rate per Million pictures print or export easily to Word.

To replicate the chart above, use the Benchmarking dropdown menu. Click on Advanced. Then use the Benchmarking tabs to select programs that match to companies with a revenue range of $500 million and $1 billion and Liability/Umbrella. Use the Show Graphs tab to display your output or contact us anytime at support@advisen.com for assistance.

**HOW MUCH PROGRAM DATA DOES ADVISEN HAVE?**
More Program Benchmarking data than any other source. Advisen now has 1.25 million insurance programs stored online. Click the blue Update Count button to see this number. Our dataset represents some 275,000 different companies. That means the Advisen Aggregate book of business enables you to compare an insurance program to any subset of the other 275,000 companies’ programs. The vast majority of this program data belongs to private companies and approximately 75 percent belongs to companies with revenues less than $50 million.
With regard to coverage types, Liability programs account for about 27%; Professional Liability programs are about 12%; and Property programs are about 12% of the entire program collection. Our data represents dozens of LOBs, too. For example, over 3,879 programs are just Kidnap, Ransom & Extortion. All of this data can be filtered by industry. For example, 116,631 programs are for retail companies and these in turn can be sorted into 5 further industry subgroups or you can Benchmark by SIC code or compare to your own peer group of companies. All of this data can be filtered geographically. For example, about 226,179 programs represent companies in California.

Advisen Benchmarking is located under the Benchmarking dropdown menu. Choose Advanced for the most granularity of filters to find peer programs.

We are happy to walk you through this functionality anytime, or if we can help you prepare for an upcoming renewal, a prospect or client presentation, or the evaluation of a submission, please contact us at 212.897.4800 or support@advisen.com with “Benchmark” in the subject line.

COMPARE YOUR BOOK OF BUSINESS TO OURS
Use our Benchmarking engine to match your book of business (easily extracted from your agency management system) to our macro book.

PRICING: Know where your clients stand and quantify your firm’s pricing advantage to your prospects.
MARKETING: Enable your Marketing department to know how their efforts perform for better negotiation with carriers. Where you have a pricing advantage or a disadvantage, consider how this knowledge changes your leverage.
ACCOUNT MANAGEMENT: Leverage the data you already have now without further key entry. We show you features like easy Chart Your Program, capture Ratings on Insurers and a host of ways to use your data for sales purposes and client management purposes.
DATA MATCH: Once we’ve matched your companies to the Advisen Master File database, it’s relatively easy for us to return the data with additional Advisen datapoints back to you, too. For example, if you need the SIC code or FEIN number for each client, we can return the file with those deliverables.

NEED JUST ONE BENCHMARK?
If you do not have Advisen.com, you can still buy a Benchmark report one at a time at the Advisen Corner. Visit http://corner.advisen.com.
and click on Analytics. We’ll bill your credit card for each Benchmark report and for each MSCAd case download you want to purchase.

**WHO WRITES WHAT COVERAGE WHERE?**
Given a set of programs that define a benchmark, Advisen can show which markets wrote that coverage. For example, not sure who writes Railroad Protective Liability or Public Officials Liability? Advisen shows which of the 530 markets in our program database wrote that specific cover in the last 18 months. Advisen makes this data transparent for both buyers and sellers, so buyers can see which markets with which ratings wrote similar cover previously, and that’s very helpful heading into renewals.

**WANT HARDCOPY?**
The RIMS Benchmark Survey 2008 is a book which has been published since 1979, and remains the definitive resource book regarding Total Cost of Risk, including data on premiums, limits and retentions across commercial insurance lines, as well as in-depth information on retained losses and risk management administrative expenses for U.S. and Canadian companies. For the last five years, Advisen has worked with RIMS to publish the Survey. The latest edition of this book is available for purchase at [www.rims.org/book](http://www.rims.org/book)