NEWSPAPER

FEBRUARY 7, 1994

Business Insurance®

Reporting Weekly For Corporate Risk, Employee Benefit and Financial Executives / $4.00 a copy

© Entire contents copyright 1994 by Crain Communications Inc. All rights reserved

Updates

P/C rates to rise, but so will underwriting losses: Report

NEW YORK—U.S. property/casualty insurers will raise rates in 1994, but combined ratios will continue to deteriorate due to past and future catastrophes, insurance analysts and consultants predict.

Insurers should succeed in pushing through price increases that will boost net premiums written by more than 7% this year to nearly $260 billion. But the industry's combined ratio will be about 110%, eight leading investment houses and consultants predict.

Continued on next page

Shiver and shake

Hurricane Andrew, August 1992:	**$15.5 billion**
Hurricane Hugo, September 1989:	**$4.2 billion**
Los Angeles earthquake, January 1994:	**$3.0 billion***
Blizzard of '93, March 1993:	**$1.8 billion**
Oakland, Calif., fires, October 1991:	**$1.7 billion**
Hurricane Iniki, September 1992:	**$1.6 billion**
Southern California brush fires, Fall 1993:	**$1.0 billion***
Northern California earthquake, October 1989:	**$960 million**
Arctic freeze, January 1994:	**$900 million***
Arctic freeze, December 1983:	**$880 million**

*Estimate

Source: American Insurance Services Group Inc.

$4 billion in losses from quake, freeze to wallop insurers

By JOANNE WOJCIK

The spate of natural disasters in January already has made the first quarter of 1994 the worst on record for insured catastrophe losses.

However, commercial lines insurance rates are not likely to rise despite the record disaster claims.

The Los Angeles earthquake is expected to cost insurers upwards of $3 billion, though one industry official projects losses as high as $5 billion to $6 billion. Meanwhile, insured losses from the prolonged Arctic freeze are estimated at a minimum of $900 million.

Those tolls far exceed the previous record of $2.6 billion in insured disaster losses in the first quarter last year, even though only one month of this year's first quarter has passed (*BI*, April 5, 1993).

"I don't remember one that's ever had this much activity," said a spokesman for State Farm Insurance Co. in Los Angeles, referring to the first quarter. "And the big disaster season is yet to come," he said, pointing to the hail and tornadoes that come with warmer weather in the spring. "It certainly looks like we got off on the wrong foot."

While few insurers will have difficulties paying earthquake and freeze losses, the multibillion-dollar claims have deflated insurers' hopes for a boom year in 1994, said John L. Ward, chief executive officer of financial analyst

Continued on page 61

Superfund plan leaves insurer liability intact

By MARK A. HOFMANN

WASHINGTON—Insurers fear that President Clinton's Superfund reauthorization proposal could cause more problems than it solves.

The greatest concern among insurers is that the proposal would impose a new tax on them without removing their exposure to coverage litigation.

But Environmental Protection Agency Administrator Carol Browner hailed the proposal as "one that is good for the environment and one that is good for the economy." At a press conference shortly before the bill was unveiled, Ms. Browner said that the administration's plan would retain the "polluter pays" principle, while protecting individuals and businesses that had done little to pollute a site from being unfairly held liable for cleanup costs.



AP/Wide World Photo

Carol Browner, head of the Environmental Protection Agency, introduced the administration's reform plan.

Regardless, insurer and business concern over the proposal might be premature.

"With the calendar we are facing, I sincerely believe that any significant interest group can singlehandedly kill this legislation simply by encouraging delay," said Rep. Al Swift, D-Wash., chairman of the House Transportation and Hazardous Materials Subcommittee and chief House sponsor of the bill.

Insurers and businesses had hoped that the long-awaited proposal, which was unveiled on Thursday, would remove the current system of strict, retroactive and joint and several liability, much of which was established by judicial interpretation of the original Superfund law.

Instead, the president's plan would retain retroactive liability and includes the term "joint and several liability" within the law itself for the first time.

For small polluters, the proposal would streamline the pro-

Continued on page 63

Clinton plan comes under fire

Cooper bill wins business support

By JERRY GEISEL

WASHINGTON—Only a week after offering an olive branch to critics of its health care reform plan, the Clinton administration is being clobbered—both politically and rhetorically—by new opposition to the proposal.

Despite a conciliatory State of the Union address, in which the president said he was willing to compromise on everything except his call for universal coverage, business groups and others tore into his plan during congressional hearings last week.

Specifically:

• The Business Roundtable, a prestigious organization of 200 major corporate chief executives, rejected the administration's proposal as putting "too much control in the hands of government bureaucracies."

Groups decry a merger of work comp with health care reform.....Page 2

While rejecting the Clinton proposal, the Roundtable said a rival bill proposed by Rep. Jim Cooper, D-Tenn., should be the starting point for health care reform.

The decision to oppose the Clinton reform plan came despite intense lobbying by senior administration officials. While they did

Continued on page 62

Workers comp rebound

Insurers' improved results ease problems for buyers

By MEG FLETCHER

A rebounding workers compensation insurance market means flat rates for employers in some states and an opportunity for employers in others to escape the residual market.

Improving underwriting results are causing more insurers to write workers comp coverage, even in states long shunned by underwriters.

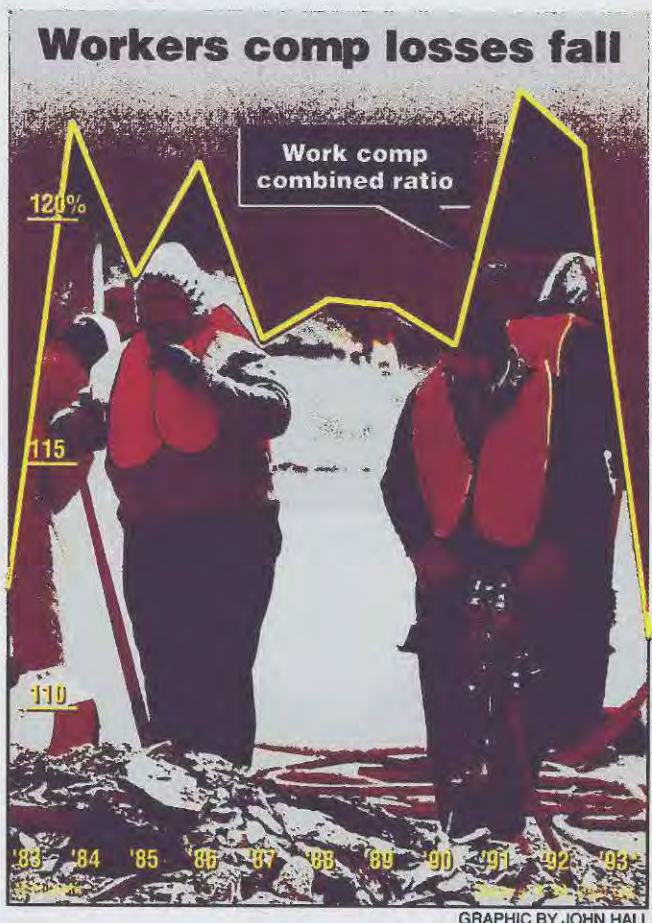
It is uncertain, though, how long the rebound will last. Many insurers and analysts are quick to note that the workers comp crisis is not necessarily over in all states.

And, a provision in the Clinton administration health care reform plan that could limit workers comp insurers' control over medical claims could cause new problems in the workers comp market (see story, page 2).

Still, things are looking up for the nation's workers comp insurers, as well as the employers that paid $29.6 billion in workers comp insurance premiums in 1993. In fact, some are labeling it a "buyers' market."

The combined ratio for workers comp insurers, after policyholder dividends, dropped by a "spectacular" 10 points in 1993 to 111.5% from 121.5% in 1992, said John H. Snyder, senior vp-property/casualty at A.M. Best Co. in Oldwick, N.J. That was the lowest workers comp combined ratio since 1982 and contrasts

Continued on page 56



GRAPHIC BY JOHN HALL

Spotlight on Self-Insurance Page 3

Directory of Third-Party Administrators Page 21

Updates

P/C premium hikes predicted

Continued from previous page

In an annual Groundhog Day forecast, analysts at Alex. Brown & Sons Inc. projected that net premiums written will increase by 9.1%, while Conning & Co. predicted premiums will increase by only 5.2%. Forecasts from Kidder, Peabody & Co., Northington Partners Inc., Morgan Stanley & Co., Firemark Inc., KPMG Peat Marwick and Oppenheimer & Co. fell between those ranges.

Predictions regarding the industry's 1994 combined ratio ranged from a high of 112.5% by Oppenheimer to a low of 107.1% by Kidder Peabody. The average was 109.8%.

But catastrophes like the recent Los Angeles earthquake and severe winter storms in the Midwest and East could push the industry's combined ratio higher, warns Sean Mooney, senior vp of the Insurance Information Institute.

"On the positive front, a rewriting of the Superfund law, which could reduce the potential liability of the industry, could lead to a drawing down of claim reserves and an improvement in the combined ratio," he noted.

Investment funds raise capital

NEW YORK—Insurance Partners L.P. and Insurance Partners (Bermuda) L.P., two insurance investment funds, have $550 million to invest after their private placement closed last week.

The funds will sponsor property/casualty and life insurance acquisitions, recapitalizations, demutualizations and other actions.

Of the total raised, $200 million was contributed by Centre Reinsurance Holdings Ltd.; Keystone Inc., the investment arm of Texas billionaire Robert M. Bass; and Chase Manhattan Corp. About 25 others also invested, including insurers, endowment funds, corporations and individuals.

Separately, Carmel, Ind.-based insurer holding company Conseco Inc. announced the closing of Conseco Capital Partners II L.P., which raised $623.8 million to buy annuity and life/health insurers.

Thirty-six investors contributed to the fund, including Conseco and the California Public Employee Retirement System, which invested $100 million each. Other investors include the State of Michigan Retirement System and Armco Master Pension Trust.

Conseco Capital Partners plans to make between six and eight acquisitions within the next four years, focusing on companies with strong niche products, distribution systems and management teams, Conseco Chairman Stephen C. Hilbert said in a statement.

Pan Am verdict upheld

NEW YORK—A federal appeals court last week upheld a 1992 jury verdict that Pan American World Airways Inc. was guilty of willful misconduct for failing to detect a terrorist bomb aboard Flight 103, which exploded over Lockerbie, Scotland, in 1988, killing all 258 people on board and 11 on the ground.

The 2-1 ruling by a panel of the 2nd U.S. Circuit Court of Appeals affirms $19.7 million in damages previously awarded to the survivors of three of the flight's victims and sets the stage for 222 other plaintiffs to collect damages from Pan Am's insurers. The ruling could still be reviewed by the full 2nd Circuit.

Lead plaintiffs attorney Lee S. Kreindler of Kreindler & Kreindler in New York said the ruling "establishes standards and legal principles for all of the 225 consolidated cases." He said plaintiffs could collect all of the $750 million in aviation liability insurance Pan Am had at the time of the incident if the cases continue to be resolved in court or "about $500 million if the insurers choose to settle."

Liability insurance for Pan Am, which entered into bankruptcy several years ago and has since been liquidated, was led by U.S. Aviation Insurance Group. Also participating were: Lloyd's of London's Ariel syndicate; Associated Aviation Underwriters; and a pair of French insurers, CAMAT and La Reunion Aerienne (*BI*, July 13, 1992).

Because the court ruled Pan Am engaged in "willful misconduct," rather than mere negligence, the $75,000 per person cap on liability under the Warsaw Convention does not apply.

Garamendi to run for governor

MOKELUMNE HILL, Calif.—At a gathering in his hometown, California Insurance Commissioner John Garamendi formally announced on Jan. 29 that he is running for governor.

The commissioner, whose battles with insurers over Proposition 103 and other issues have given him a high profile, pledged to revitalize a state battered by economic and natural disasters.

Mr. Garamendi will seek the Democratic nomination for governor against State Treasurer Kathleen Brown in the June 7 primary.

Meanwhile, a former occupant of the office they seek is center stage in the latest political and legal fight over Proposition 103.

Former Gov. George Deukmejian, now a partner at Sidley & Austin in Los Angeles, will represent a surety insurer before the state Supreme Court. Surety Co. of the Pacific is trying to persuade the court to uphold a 1990 law—signed by Mr. Deukmejian—that exempted surety insurers from the rate rollback law.

Along with other Proposition 103 backers, Mr. Garamendi has strongly criticized the former governor and the insurance company.

Updates continued on page 62

Errors & omissions

• The Wyatt Co. estimates that the national average for single coverage premiums charged by regional alliances under the Clinton administration's health care reform proposal would be $2,285. A chart in the Jan. 31 issue of *Business Insurance* reported an incorrect number.

Merging comp, health reform won't work, groups tell panel

By MARK A. HOFMANN

WASHINGTON—Merging the medical component of workers compensation insurance with a reformed health care delivery system could result in more dangerous workplaces, insurer and business officials say.

Witnesses testifying at a hearing held last week by a House Energy and Commerce subcommittee said that they believe that the proposal would diminish current financial incentives to maintain safe workplaces, despite Clinton administration assurances that some degree of experience rating would remain in the workers comp system.

Rep. Cardiss Collins, D-Ill., chairman of the Commerce, Consumer Protection and Competitiveness Subcommittee, convened the hearing as the panel's only examination of how the Clinton administration's health care reform proposal would impact the property/casualty insurance industry.

"We strongly oppose merger" of workers comp and a reformed health care system, said Debra T. Ballen, senior vp-policy development and research for the American Insurance Assn. She noted that while the administration plans to have a special commission examine the issue, the AIA fears the group will be unfairly structured and predisposed to merging workers comp and group health medical benefits.

Her opposition was shared by Robert Steggert, vp-casualty claims for Marriott Corp. in Bethesda, Md. He appeared on behalf of the National Assn. of Man-

Continued on page 60

Court action uncertain

Gooda Walker trial may be delayed until criminal probe ends

By STACY SHAPIRO

LONDON—Just when Lloyd's of London's settlement to end litigation over losses looked doomed, a recent court action might make members reconsider whether to accept the offer.

Lloyd's 900 million pound ($1.35 billion) offer to end litigation between members facing losses and their managing and members agents—which would become binding only if more than 70% of the members vote to accept it by Feb. 14—is in jeopardy since the two largest members groups already have rejected it (*BI*, Jan. 24).

In particular, Gooda Walker Action Group members voted last month to take their chances in court. Their trial is scheduled to start April 26.

However, the 71 managing and members agencies that are defendants in the Gooda Walker case filed an application in the High Court on Jan. 28 to adjourn the trial. The court is expected to decide this week whether to grant the postponement.

The defendants want an adjournment because one of their key witnesses, Gooda Walker syndicate underwriter Derek Walker, is refusing to testify for fear that he will prejudice himself in the Serious Fraud Office's ongoing criminal investigation into allegations of improper accounting of time-and-distance reinsurance policies (*BI*, April 13, 1992).

"Justice will not be done with-

Continued on page 61

Super Bowl celebration well-covered

By RODD ZOLKOS



DALLAS—As the Dallas Cowboys continue to perfect their championship form as a National Football League dynasty, Dallas officials are perfecting the city's plans to obtain liability coverage for a Feb. 18 victory parade.

While the Cowboys returned from Atlanta last week with their second straight Super Bowl trophy, units of TIG Holdings Inc., which wrote a liability policy for last year's civic celebration, wanted no part of a repeat. Violence at last year's parade resulted in more than 50 injuries and 74 arrests.

But with plans to beef up security at this year's event, Dallas was able to find special event coverage through its broker, Alexander & Alexander of Texas Inc. in Dallas.

"We have been able to find a quote for the kind of coverage we want," said Frank Breedlove, the city's risk manager.

The city has budgeted $30,000 for the parade coverage, but "that may or may not be enough," he said.

Last year's premium was about $24,000.

Dallas self-insures most of its risks but seeks general liability

Continued on page 60

GM early retirees win benefit case

By DAVE LENCKUS

DETROIT—General Motors Corp. could have to pay tens of millions of dollars in damages because of a federal judge's ruling that it violated federal benefits law when it cut health care benefits for 50,000 early retirees, a plaintiffs attorney says.

The plaintiffs retired from 1974 through 1988 as part of various incentive programs that GM offered workers generally 55 to 60 years old. They and about 34,000 regular retirees sued the automaker in 1989 for cutting all retirees' health benefits in 1988 (*BI*, Aug. 14, 1989). Among other things, GM imposed additional copayments and deductibles.

The court later dropped the regular retirees from the class-action case because GM had reserved its right to amend their health benefits (*BI*, Aug. 12, 1991).

GM argued that it promised early retirees only enhanced pension benefits to retire early. It said the early retirees received health benefits subject to the same conditions GM imposed on all retirees, including that the company could amend their benefits.

But, U.S. District Court Judge John Feikens ruled Feb. 2 that "much of the benefits information" that GM provided to potential early retirees stressed "lifetime health care benefits at no charge."

Continued on page 61

Inside

• Policymakers and employers should heed a new study that shows HMOs offer bigger savings and better benefits than indemnity plans, this week's editorial says. **PAGE 8**

• Mirror Group pensioners reached a settlement to recapture $60 million stolen by Robert Maxwell. **PAGE 57**

• A product liability law in Japan is expected to be delayed, despite ongoing negotiations. **PAGE 57**

• The Colorado Supreme Court rules that caps on noneconomic damages limit the liability of individual defendants, not a plaintiff's total award. **PAGE 62**

Departments

Advertiser Index 44

Classifieds 58
Comings & Goings: Industry 60
Global Briefs 57
Insurance Services Guide 59
International 57
Letters 8
Opinions 8
Reader reply service 44
Ticker 63

Vol.28, No.6—*Business Insurance* (ISSN 0007-6864) is published weekly by Crain Communications Inc., 740 N. Rush St., Chicago, Ill. 60611. Second-class postage is paid at Chicago, Ill., and at additional mailing offices. Canadian Post International Publications Mail Product (Canadian Distribution) Sales Agreement No. 0293512, GST No. 136760444.
Printed in U.S.A. Postmaster: Send address changes to *Business Insurance*, Circulation Department, 965 E. Jefferson Ave., Detroit, Mich. 48207; 800-678-9595 or 313-446-1611. Copyright 1994 by Crain Communications Inc.

Self-insurance

P/C self-insurance growth slows, but efforts to control costs grow

Employers trying a variety of non-traditional methods

By SARA MARLEY

The growth of pure property/casualty self-insurance programs slowed in 1993, but employers' enthusiasm to control their own losses has not.

The amount of the total property/casualty risk financing market composed of self-insurance increased by only 0.5% in 1993, to an estimated 19.7% of the market, according to a study by Johnson & Higgins and IMR Corp.

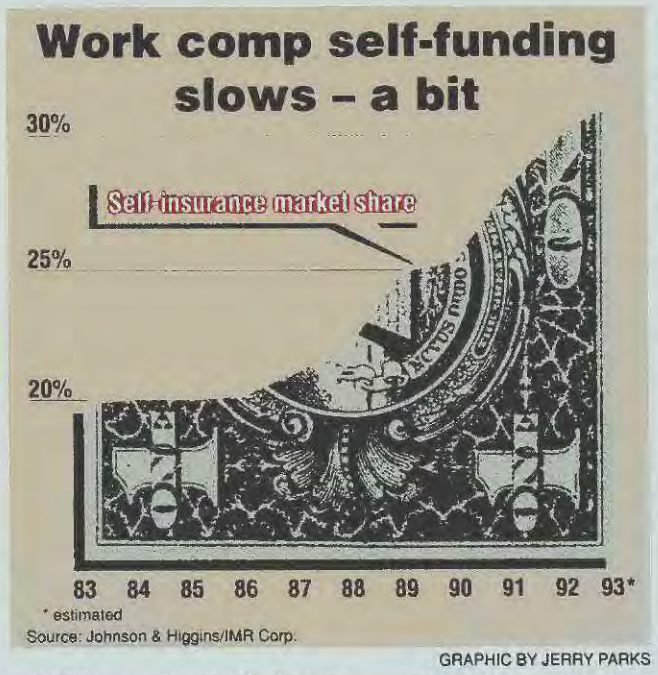
The survey defines self-insurance as programs utilizing self-retention as their funding technique, such as qualified self-insurance in workers compensation.

Other alternative financing mechanisms, like captives and risk retention groups, grew to 12.6% of the total risk financing market from 10.6% in 1992.

However, many alternative financing options, like retrospectively rated and large-deductible programs, are classified as traditional insurance in the J&H survey.

Sedgwick James Inc. projects that the use of qualified self-insurance will drop to 15.8% of the commercial lines market in 1994—to $35 billion—from 17.2%, or $40 billion, in 1993.

The use of captives will fall to 7.9% of the market this year from 8.0% in 1993. Pools and trusts are projected to drop to 5.6% from 5.4%. And risk retention groups will comprise just 0.5% of the market in 1994, down from 1.0% in 1993, according to the broker.



GRAPHIC BY JERRY PARKS

Sedgwick projects that private retentions will increase in 1994—rising to 13.4% of the market, or $29.8 billion, from just 10.8%, or $25.1 billion, in 1993.

The share of the market held by commercial insurance is expected to edge up to 57% from 56.7%.

Sedgwick also predicts that the overall U.S. property/casualty insurance market will shrink to $221.7 billion in premiums and equivalents in 1994 from $232.1 billion in 1993.

In workers compensation—the risk that employers are most likely to self-fund—the market share held by self-insurance had been increasing by an average of 5.6% per year from 1983 to 1992, according to J&H. But in the past two years, growth has averaged only 3.3%, rising to an estimated 31% of the workers comp market in 1993, the study shows.

"Historically, the forces that prompt clients to self-insure are to gain control of their risks and achieve cost savings," said David A. North, principal and senior vp of J&H's risk control services division in Chicago. "Now they can gain control through other techniques. There are greater options today than five years ago."

Those options, like large-deductible and retrospectively rated programs, are being more commonly offered by insurers.

In many states, employers are

Continued on next page

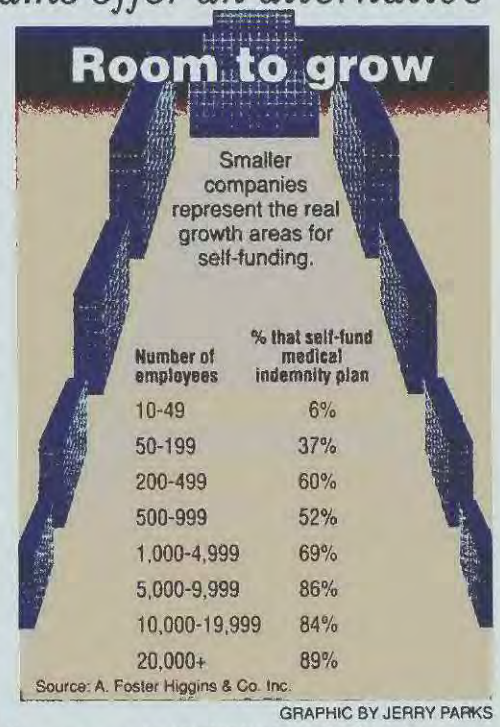
Large companies still see self-funding as health care cure

Insured programs offer an alternative

By MICHAEL SCHACHNER

Self-insurance as a means of funding health benefits is alive and well, especially for larger employers, despite widespread growth in insured managed care programs and President Clinton's health care reform proposal.

The president's current plan for overhauling the nation's health care system proposes to remove self-insurance as a health care option for all employers with fewer than 5,000 workers. However, self-insurers hope that benchmark will be greatly reduced as the legislation winds its way through Congress.



GRAPHIC BY JERRY PARKS

In addition, heavily managed health care plans' recent success in controlling costs is giving cost-conscious employers alternatives to self-insurance.

But for large employers—those with more than 1,000 employees—self-insurance remains the leading funding option. Nearly 80% of large employers self-insured their health care plans last year, according to a soon-to-be-released survey. That percentage is on par with recent years.

Meanwhile, the percentage of smaller companies that self-fund their health plans is quite low in comparison: Only 18% of employers with fewer than 1,000 workers opted for self-insurance in 1993, the survey found.

Health care experts say the reason why a relatively small portion of smaller companies are self-insuring is that insured managed care programs are offering equal or better cost control with fewer administrative and fiduciary responsibilities.

But small companies aren't dismissing the idea of self-insurance altogether. Many smaller firms are actively looking into self-insurance, according to stop-loss insurers and consultants, who note that most newcomers to the self-insurance arena are smaller companies with as few as 50 or 100 workers.

The forthcoming study on self-insurance, which was conducted by the Research Triangle Institute on behalf of benefit consultant A. Foster Higgins & Co. Inc., surveyed 3,100 randomly selected employers nationwide, of which just fewer than half responded. The study differs greatly from past national surveys of employer-sponsored health plans by Foster Higgins in that it adds weight to responses from small employees since 98% of all U.S. employers have fewer than 500 employees. For this reason, the latest study

Continued on page 6

12 largest claims administrators by claims paid

Company	Claims paid for self-insurers (in millions)	Number of self-insured administration clients	Type of claims for self-insurers: Health[1]	Non-health benefits[2]	Workers comp	General liability	All other	Staff serving self-insurers	1993 gross revenues (in million): Total	From claims administration
First Health Strategies Inc.	$3,040.0	1,205	96.3%	3.7%	0.0%	0.0%	0.0%	2,800	$166.0	$135.0
CoreSource Inc.	2,112.0	2,322	74.0	1.0	20.0	2.0	3.0	N/A	N/A	N/A
EBP HealthPlans Inc.	2,100.0	2,650	96.0	3.0	1.0	0.0	0.0	1,050	253.0	82.0
Crawford & Co.	2,072.8	1,550	0.0	0.0	58.4	21.0	20.6	N/A	584.9	225.7
Harrington Services Corp.	1,635.0	482	85.0	12.0	3.0	0.0	0.0	1,200	65.0	53.5
The Travelers Plan Administrators Inc.	1,562.4	687	85.0	15.0	0.0	0.0	0.0	603	62.0	60.8
Preferred Works Inc.[3]	1,364.9	1,427	10.0	7.0	51.0	0.0	32.0	485	44.8	N/A
Sedgwick James Inc. Claims Management Services	1,323.0	3,467	0.0	0.0	94.0	4.0	2.0	812	N/A	N/A
Gallagher Bassett Services Inc.	1,270.9	1,726	27.0	0.0	44.0	15.0	14.0	N/A	104.4	94.4
Alexsis Inc.	1,200.0	1,068	0.0	0.0	70.0	20.0	10.0	1,321	95.0	85.6
GAB Business Services Inc.	1,200.0	832	0.0	0.0	65.0	20.0	15.0	N/A	242.3	N/A
Hertz Claim Management Corp.	1,000.0	N/A	25.0	0.0	25.0	5.0	45.0	1,012	N/A	N/A

[1]Includes medical, dental, vision and prescription drug plans [2]Includes pensions, flexible compensation, disability and life [3]Formerly Adjustco Inc. N/A= not available
Source: *BI* survey

GRAPHIC BY A. TRANCHITA

Third-party administrators specializing in property/casualty claims see growing demand for managed workers comp care .....Page 10

Third-party administrators specializing in benefit claims expand services to be one-stop managed care source..Page 16

Lower medical inflation is holding down stop-loss coverage rates for self-insurers .....Page 20

Directories of third-party administrators, listed by type of specialty .....Page 21

P/C risks

Continued from previous page
finding large deductibles "much easier than becoming self-insured," said Michael Murphy, principal consultant with RiskCap in Denver.

"The lines are getting grayer" between the conventional and alternative markets, said Steve Christiansen, senior vp of industry analyst Conning & Co. in Hartford, Conn. Today, self-insurance "is happening with increased deductibles and retentions, new kinds of coverage involving finite or financial covers, and excess" insurance.

Employers are finding that those options can produce the same savings as true self-insurance, but without the associated costs.

"A deductible program can be a very effective way to reduce cost," Mr. North said. "Employers can achieve cost savings equal to or slightly better than qualified self-insurance."

Other trends can also explain the slackening of growth in pure self-insurance.

In general, costs associated with self-insurance are lower than premiums in the traditional market, said Seth Miller, assistant vp at Conning & Co, which lowers the "market share" held by self-insurance.

For instance, the same risks that cost $100 to insure in the traditional market may only cost $75 to self-insure—and that ratio appears to be dropping, Mr. Miller said. As a result, self-insurance premium equivalents are not always accurate indicators of growth.

Also, "The greater use of managed care is stemming the growth of paid losses" for workers comp insurance, which is how self-insurance premium equivalents are measured, Mr. Christiansen said.

Employers that already self-insure their workers comp risks also are more likely to be downsizing their workforces, which limits self-insurance growth.

"Businesses are contracting instead of expanding," noted Steve Kahn, principal of Advanced Risk Management Techniques Inc. in Laguna Hills, Calif. "That reduces their drive to self-insure. Their workers comp premium is not increasing."

Employers with more than 500 employees—which constitute 56% of all self-insured premium equivalent—reduced their workforces by 20% from 1988 to 1990. During the same period, employers with fewer than 100 employees increased their workforces by 20%. Those employers account for only 7% of self-insured premium equivalents.

The extended soft property/casualty insurance market also is contributing to the slowdown in property/casualty self-insurance.

"We're seeing less pure self-insurance and more commercial insurance because it's cheaper," said Ed Armstrong, managing director of the risk management services division of Aon Specialty Group in Washington. "The traditional lines that lend themselves to self-insurance are long-tail risks like general liability, auto and workers comp."

And rates for some of those lines, particularly general liability, are among the softest in the current market. Even the workers compensation market is showing signs of improvement (see story, page 1).

While employers are interested in self-insuring workers comp risks, but reductions in residual market loadings are making that shift less urgent, Mr. Miller said.

Some companies that switched to self-insurance during coverage availability crises now are re-evaluating their risk financing strategy.

The Lansing Board of Water & Light in Lansing, Mich., has been a qualified self-insurer for workers compensation since 1977. But it still considers other alternatives when marketing its program once every three years, Risk Manager Gerald W. Blanchard said.

"If a bid comes in with a large deductible that may meet our needs better than qualified self-insurance," it will be considered, he said. "It's foolish to reject an approach, because someday it might be your only option."

The utility also would consider changes in its liability insurance program, which currently is insured in the commercial market.

"At times, we have had a larger deductible or retention quoted, but there were not significant premium savings," Mr. Blanchard said. If the liability insurance market hardened, however, an increased deductible "is one of the things we would definitely consider."

While Lansing Board of Water & Light would consider moving away from qualified self-insurance, Marriott Corp. keeps moving toward it.

"We started shifting our workers comp gradually out of the captive and into qualified self-insurance two or three years ago," said Arnold L. Davenport, vp-risk management of the Marriott Corp. in Bethesda, Md.

Marriott's Hawaii-domiciled captive, G.L. Insurance Co., reinsures U.S. liability and workers comp exposures (*BI,* April 29, 1991).

"Right now, we are looking into whether our captive is still the most effective method because of changes in residual market load issues," Mr. Davenport said. "The tremendous escalation in RMLs appears to have slowed or even reversed in a lot of states. If RMLs are not the driving factor, fronting might become more attractive.

"There are several options, and you need to pick out the one that is most advantageous. Over a period of years, that can change, and you need to be able to change with it."

Consultants agree that organizations must prepare for market changes before they occur.

ARMTech's Mr. Kahn has recommended against self-insurance for two organizations in recent feasibility studies, though he recommended that they begin tracking loss control and claims data.

"They can be prepared to move to self-insurance quickly," Mr. Kahn said. "They should not self-insure as a defensive move, but they can get their house in order."

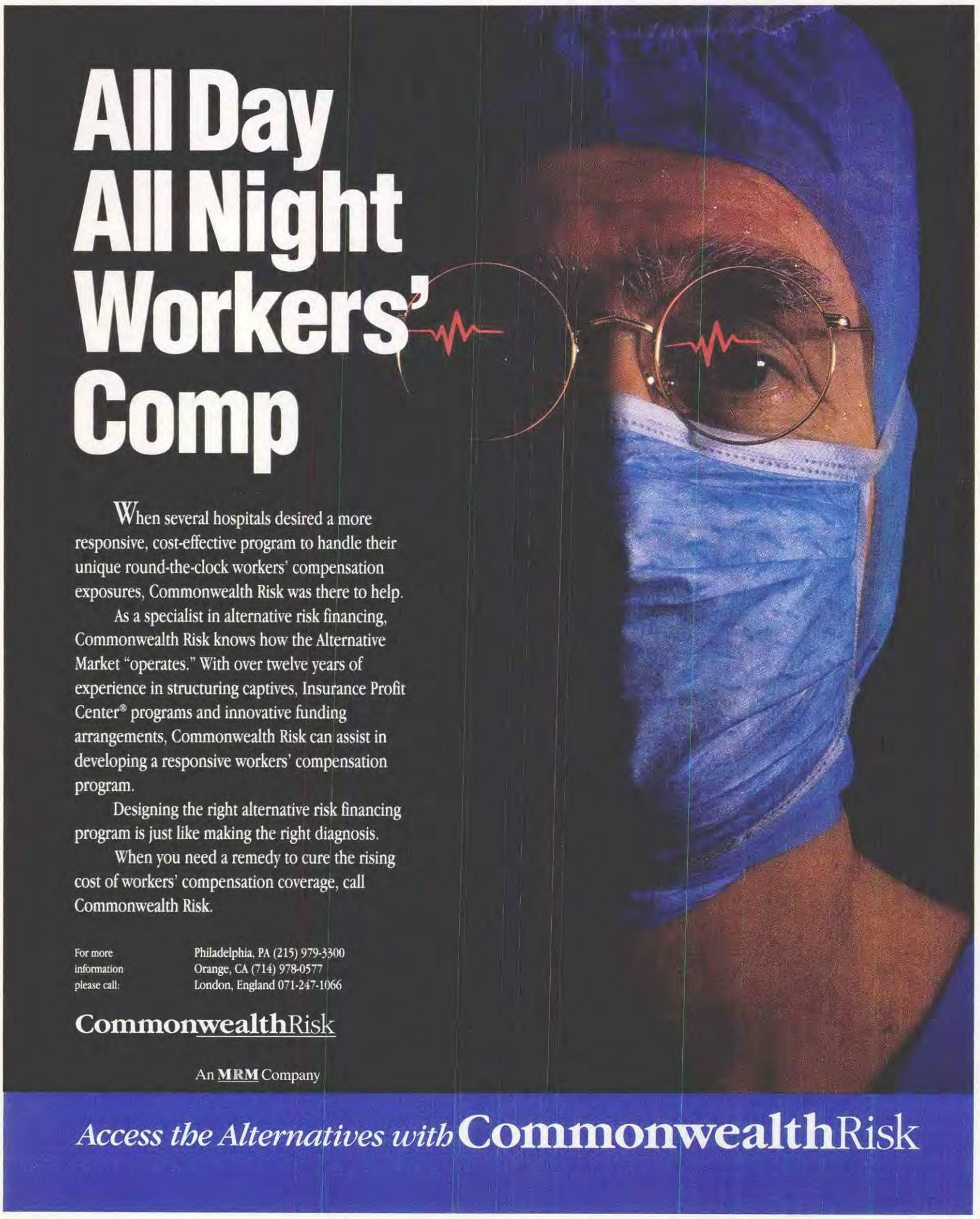
"Nobody says the workers comp crisis has gone away," cautioned RiskCap's Mr. Murphy. "It's gone into a lull."

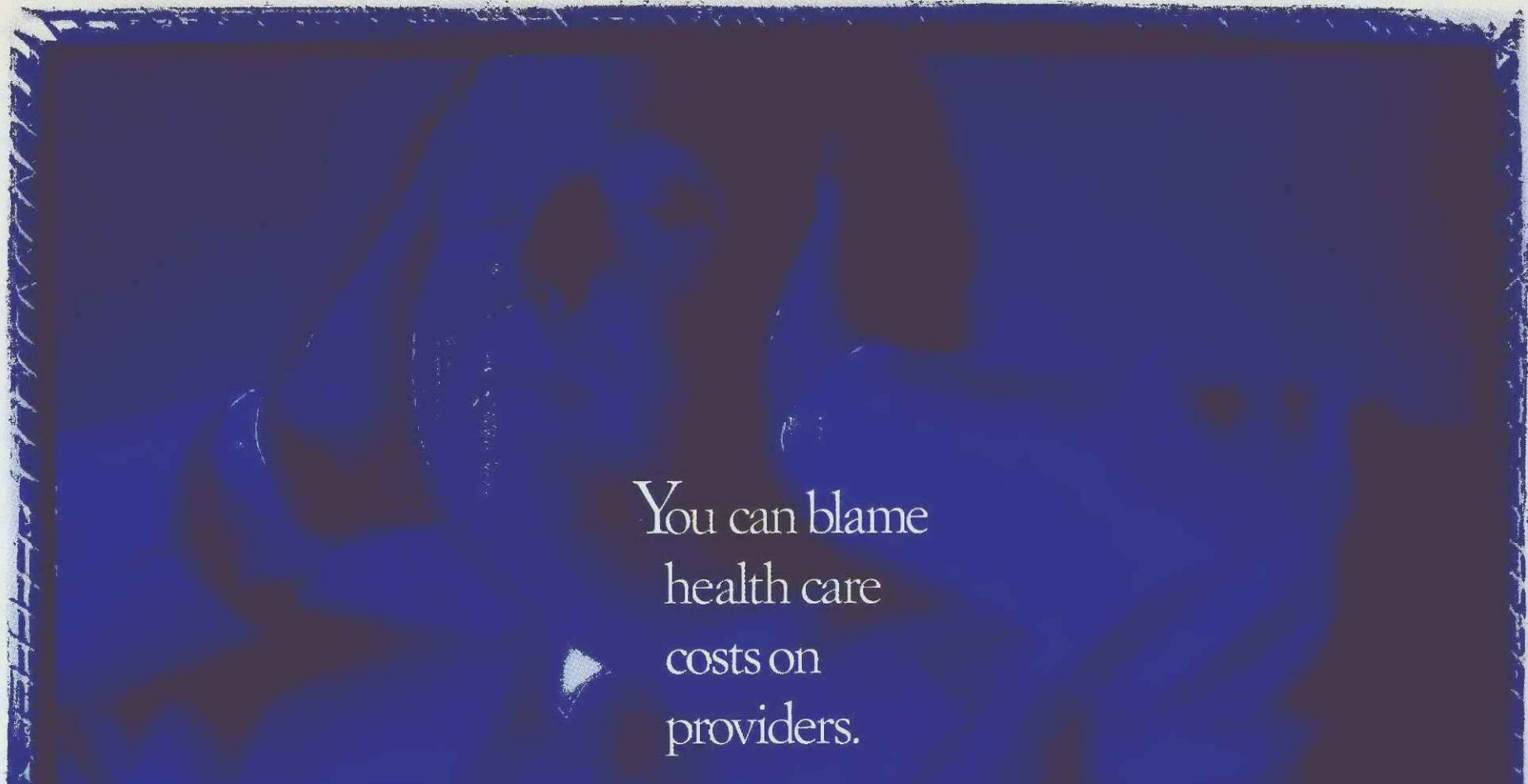
Because states' reforms have improved the workers comp systems to varying degrees, multistate employers are likely to use a variety of funding techniques.

"In our experience, very few organizations either totally commercially insure or totally self-insure," Aon's Mr. Armstrong said. "They reach the most cost-effective mix. In the soft insurance market, the mix is heavier on commercial."

According to the J&H survey, employers in 1993 used multiple methods of funding workers comp risks, relying on both self-insurance and commercial insurance.

These methods included: retrospectively rated programs, used by 43% of employers; qualified self-insurance, 28%; state funds, 24%; guaranteed cost insurance, 23%; deductible programs, 19%; fronted self-insurance, 10%; and other programs, 9%. BI





Instead of pointing fingers, Wausau is developing solutions. Like ACCURE,℠ a database to check medical charges. CARE-LINK℠ for answering health questions. PPO networks. 24-Hour Managed Care. 99% accuracy on group claims paid. You get results, not excuses.

WAUSAU
NATIONWIDE® INSURANCE GROUP

Wausau Insurance Companies, 2000 Westwood Dr., Wausau, WI 54401 1-800-542-5408 A+ A.M. Best Rating

Self-funding

Continued from page 3

cannot be compared to past studies.

"The study gives a clearer picture of what all companies across the country are doing. There are 548,000 companies with more than 10 employees that offer health care. Before, our surveys were based solely on 2,500 Foster Higgins clients, most of whom were larger companies," explained Beth Umland, managing consultant in New York.

The new study, based on a weighted formula, found that 78% of employers with more than 1,000 employees self-insured their health care plan in 1993. The percentages grow with employer size. For instance, 76% of employers with 1,000 to 5,000 employees self-insure, while 85% of companies with 5,000 to 40,000 workers self-insure. Once the workforce reaches more than 40,000 employees, self-insurance is used 93% of the time.

"For large employers the advantages of self-insurance are simple. They're control, control and control," said David Wilson, president of Apex Management Group, a recently formed Princeton, N.J.-based consulting firm. "The companies control the dollars that would otherwise go toward paying premiums, and they hang onto loss reserves. They also control plan design and avoid state mandates for benefits." But the number of large employers the self-insure is not growing, and it hasn't been for a few years. The common belief: Nearly all big employers that want to self-insure already are doing it.

"Well over 70% of sizable companies are already self-insuring and that's probably the plateau we're looking at," said Paul Fallisi, an assistant vp with John Alden Life Insurance Co. in Miami, which writes stop-loss insurance for self-insured employers. "One might even say the over-150 lives market is saturated. It's the 50- to 150-life market where we're seeing new opportunities." However, there still are large insured employers that could benefit from self-insurance, insisted Jim Hippler, senior vp-administration with Boyd Gaming Corp., a hotel and casino company in Las Vegas. "There are still many large employers with fully funded plans. There's still a lack of in-house understanding of self-insurance at many companies. There's also heavy reliance on brokers, who have incentives to sell insured plans."

For smaller employers, not even the Clinton health care plan, which in its current wording would move all small employers into insured health care purchasing alliances, should stop them from taking advantage of self-insurance, added Gary Lake, a consulting actuary with Foster Higgins in Washington.

Discussions that began in 1992 about revising the Employee Retirement Income Security Act of 1974 to take away some of the advantages afforded to self-insurers have faded (*BI*, Jan. 25, 1993), he noted.

"Some smaller employers put the skids on self-insurance because of health care reform and ERISA. But all the traditional benefits of self-insurance are still there. The emerging attitude is 'there are still dollars on the table, and with reasonable stop-loss coverage, we can save money over the next few years at least,' " said Mr. Lake.

James Kinder, executive vp with the Self-Insurance Institute of America, agreed that self-insurance is still a viable health care funding tool. "Employers are not running from the self-funded arena because they fear they'll be pushed out by health care reform. I think it's just the opposite. Employers are adamant about sticking with it because they know they can do better than any legislative solution."

Mr. Kinder insisted that self-insurance is as healthy now as at any point in the past. "There's a lot of growth from smaller employers, municipalities and local governments. Stop-loss renewals are steady; in fact, there's a fair amount of new volume out there."

Nipping at the heels of self-insurance, however, is the managed care movement. Many small and midsized employers are finding they can control costs through insured managed care plans, like health maintenance organizations, without having to assume the financial burden or risk of self-insurance.

"The movement toward managed care, which by its nature is an insured product, leaves less for the self-insured indemnity plan. Even those plans are adding point-of-service network options in many cases," pointed out Steven Putterman, a consultant with William M. Mercer Inc. in New York.

He added that employers aren't dropping self-insured plans for insured managed care plans because they're dissatisfied with self-insurance, but because it makes sense not to assume any risk if they can control costs and also transfer risk.

"The new attitude among small employers is 'Why put myself at risk?' The discussion over health care reform has raised consciousness to the point that managed care has taken hold. Individuals leaving for a managed care setting is just a byproduct of the larger movement," Mr. Putterman said.

Still, TPAs and stop-loss insurers say they are responding to this challenge from insured plans by offering solid, affordable contracts.

"We're convinced that self-insurance is here to stay, and we're willing to compete," said Mr. Fallisi of John Alden Life.

Betz Laboratories Inc., a specialty chemical manufacturer in Trevose, Pa., is an example of a midsize company that has recently joined the self-insured forces.

Betz, which employs about 3,000 people nationwide, became self-insured at the beginning of last year in order to control costs, and so far, the plan has worked, said Jim Heskett, employee benefits manager.

"Our previous insured plan was seeing premium increases that were too high relative to our experience. This program gives us pure cost and design control," he explained.

He said it's too early to worry about whether the self-insurance avenue will be eliminated for companies like Betz. "It seems as though the original Clinton proposal won't last. We're aligned with Clinton in that we're focused on managed care. We offer HMOs and there's a point-of-service option on the indemnity side that's constructed to be a first choice."

Mr. Heskett said the plan is administered by Prudential Insurance Co. of America, which also provides the network for the point-of-service option. Prudential also protects Betz from extreme losses, though it is not traditional stop-loss coverage. "We had $200,000 specific stop-loss last year, but we now have an arrangement with Pru that protects us," he said, declining to elaborate.

Boyd Gaming has been self-insured since 1982. With 5,200 employees, it meets the Clinton plan cutoff. "I'm still concerned, though," said Mr. Hippler. "With these large alliances, we'll be a small fish and won't have the negotiating power we have now." BI

Data processing is good. Thinking is better.

Information on demand

SAFECO Commercial Lines

What makes our customer interface systems so powerful isn't computers. Or software. It's thinking. Timely, useful data in a clearly understandable form, not just so many numbers. It's analysis, not just facts. It's an array of solutions, not just a recitation of problems. Let's talk.

SAFECO

What's right.

SEEING BEYOND THE OBVIOUS



MINET

SPECIALISTS WITH A GLOBAL VIEW

Major corporations, the professions, and the financial services, energy, construction and technology industries rely on Minet to tailor innovative and cost-effective risk management programs to fit their specific needs. Our insight into future trends, combined with our market savvy, financial strength and access to worldwide insurance capacity enables us to respond easily to even the most difficult risk transfer needs. • Risk managers depend on Minet for key elements of their asset protection programs, Directors & Officers liability insurance, bonds, and excess umbrella coverage. In fact, Minet pioneered Directors & Officers insurance more than 50 years ago and continues to be a world leader today. • Minet's place among the world's top insurance brokers is the result of a singular history of close, client-driven relationships, many of which have existed for more than 40 years. These relationships flourish because Minet consistently provides each client with the specialized knowledge, competitive terms and conditions, and global resources that add security and value to risk management programs. • It's clear why Minet is a respected name in insurance broking—we see further and do more for clients. To learn how Minet can answer your specialized insurance and risk management needs, or to receive our brochure, call Nancy Oblinger at 212-782-6195.

Minet

THE SPECIALTY BROKER

Minet • 1114 Avenue of the Americas • New York, NY 10036 • 212-782-6000

Atlanta • Bermuda • Calgary • Houston • London • Los Angeles • Montreal • New York
San Francisco • San Jose • Toronto • And 125 cities worldwide

Opinions

Uncovering HMOs' strengths

Amid the swirl of health care reform developments that occurred last week, it would be easy to overlook a new and important study released by the Group Health Assn. of America.

That study, prepared for the HMO trade group by consultant KPMG Peat Marwick, looked at average premium increases for employers that offered HMOs and traditional indemnity plans between 1988 and 1993.

Over that six-year period, premiums rose by an average of 11.6% for HMOs and 13.4% for indemnity plans.

With the exception of 1991, when premiums rose by an average of 12% for both HMOs and indemnity plans, the study found that annual premium increases for HMOs have been smaller than for indemnity plans in every year since 1988.

At first blush, a difference of 1.8 percentage points in annual cost increases might not seem like much. But with employers spending tens of billions of dollars on health care benefits, even a slight difference in premium increases can translate into enormous savings for business.

Aside from the cost savings, the study found that HMOs typically offer richer benefits, especially preventive benefits, and imposed fewer restrictions than indemnity plans.

For example, 93% of HMOs offered coverage for adult physicals last year, compared with 43% of traditional indemnity plans, while 91% of HMOs provided well-baby coverage, compared with 56% of indemnity plans.

Indemnity plans also imposed more coverage restrictions. While most traditional indemnity plans restricted coverage for employees with pre-existing medical conditions, HMOs typically did not impose those types of restrictions.

Taken together, the study's conclusions are inescapable: Costs are rising more slowly in HMOs, and HMOs offer better benefits than indemnity plans.

These findings should not be lost on employers or policymakers. If rising health care costs are ever to be controlled, it is clear that managed care will have to play a more important role.



•THE HEART OF THE MATTER•

Indeed, we feel it is no coincidence that the slowing of health care inflation has occurred as the percentage of employees enrolled in HMOs and other types of managed care programs has steadily increased.

Still, there are obstacles that threaten the further growth of HMOs. Many employers still remain unconvinced that HMO costs are, in fact, lower than those of other health care plans. HMOs have to do a better job of providing concrete evidence that they are more effective in controlling costs.

And employees, stung by the loss of freedom they had in indemnity plans to choose their own physicians, are quick to find fault with HMOs. One frequent complaint: long waits to see physicians.

Regardless of the veracity of that charge, HMOs have to convince employees that cost-effective care also is high-quality care.

Letters

Vermont treated no differently than other states

To the editor: My Jan. 3 Perspective article, "Regulators' Actions Misunderstood," was written in an attempt to set the record straight on several issues relating to recent actions by state regulators which have been misconstrued by many members of the risk management community. While it is not my intent to get into a letters-to-the-editor writing campaign with your readers, Donn P. McVeigh's letter in response to my Perspective continues the misinformation that my original article was designed to address.

He is correct that two states with captive laws and domestic risk retention groups have been accredited. At the end of 1992, Colorado had seven domiciliary RRGs and Georgia had two. Mr. McVeigh asks why the NAIC accreditation program has singled out Vermont's regulation of its 31 RRGs and then implies that the NAIC is playing politics because of Vermont's high-profile status as a domicile for RRGs. To the contrary, Vermont is being afforded exactly the same treatment as all other states when it comes to accreditation.

In Colorado, four of the domiciliary RRGs were organized under Colorado's captive laws, and three were organized as either stock or mutual insurers. All of Colorado's solvency laws apply to the three in this latter group. The Colorado captive RRGs were subject to all of the laws that apply to traditional carriers, except Colorado law permits captive RRGs to capitalize using letters of credit from their owners.

Neither of Georgia's RRGs was formed as a captive insurer. Both are subject to all standards applied to any Georgia insurer.

While all of Vermont's RRGs are organized under its special captive laws (in fact, Vermont requires this), the form of corporate organization is not the real issue. Vermont exempts all of its captives, including its domestic RRGs, from a number of significant financial and other requirements that would apply to insurers organized under other sections of Vermont's statutes.

Again, look at the facts and not the rhetoric. Mr. McVeigh is just plain wrong when he states that the NAIC accreditation program has ignored the way two states—Georgia and Colorado—regulate their domestic RRGs and is now attempting to hold Vermont to a much higher standard.

Mr. McVeigh is correct about one thing: Nebraska's failed RRG "was an entrepreneurial effort from the start." Unfortunately, such entrepreneurial efforts are not prohibited by the federal Risk Retention Act. Unlike the RRGs that are created by their members to provide services not being met by the traditional industry, entrepreneurial efforts will be much more likely to search out the domicile that permits the least regulatory intrusion into their affairs.

I have never said that Vermont is doing a poor job of regulating its RRGs. In fact, Vermont has an excellent record to date in this area. That is not the issue.

Here is the problem: Vermont exempts its RRGs from laws that state regulators view as being essential for effective solvency oversight. What happens when a state that has a poor record in regulating RRGs (I offer my own record as such an example) decides to grant RRGs exemptions from solvency laws in an attempt to foster economic development? If the NAIC accreditation program ignores Vermont's blanket exemptions for its RRGs, the program cannot hope to enforce any standard relating to RRGs in any other state. Then, we have an additional incentive for what Mr. McVeigh calls "entrepreneurial RRGs" to seek out the jurisdiction offering the least oversight.

Mr. McVeigh is wrong when he says the NAIC is using the accreditation program to foil the federal Risk Retention Act. The federal act is here to stay and regulators can live with it. It is in the interests of regulators, policymakers, consumers and all of those who avail themselves of the act to make certain that oversight of RRGs is reasonable and sufficient. The accreditation program attempts to do nothing else.

William H. McCartney
Director
Nebraska Department of Insurance
Lincoln, Neb.

Business Insurance welcomes letters from its readers. Please keep your comments as brief as possible. We reserve the right to edit letters for clarity or space. We will not publish unsigned letters. Send your comments to Letters to the Editor, Business Insurance, 740 N. Rush St., Chicago, Ill. 60611-2590.

Business Insurance®
Reporting weekly for corporate risk, employee benefit and financial executives

Vice president/ Publisher/Editorial Director:	Kathryn J. McIntyre, A.R.M. *(Chicago)*
Editor:	James M. Burcke *(Chicago)*
Editor-at-Large:	Jerry Geisel *(Washington)*
Managing Editor:	Paul D. Winston *(Chicago)*
Assistant Managing Editor/News:	Timothy Stanton *(Chicago)*
Assistant Managing Editor/Graphics:	Jeanne M. Bartels *(Chicago)*
International Editor:	Stacy Shapiro *(London)*
Senior Editors:	Dave Lenckus *(Chicago)*
	Douglas McLeod *(New York)*
Bureau Chiefs:	Michael Schachner *(New York)*
	Joanne Wojcik *(Los Angeles)*
Copy Editors:	Regis J. Coccia *(Chicago)*
	Sara J. Harty *(Chicago)*
	Roseanne White *(Chicago)*
Associate Editors:	Meg Fletcher, A.R.M. *(Chicago)*
	Judy Greenwald *(San Jose)*
	Mark A. Hofmann *(Washington)*
	Louise Kertesz *(Los Angeles)*
	Adrian Ladbury *(London)*
	Sara Marley *(Chicago)*
	Sally Roberts *(Chicago)*
	Deborah Shalowitz Cowans *(Chicago)*
	Gavin Souter *(New York)*
	Christine Woolsey *(Chicago)*
	Rodd Zolkos *(Chicago)*
Directory Editor:	Kathy Welyki *(Chicago)*
Associate Directory Editor:	Kerry A. Dziubek *(Chicago)*
Editorial Assistant:	Ovie Dent *(Chicago)*
Assistant to the Publisher:	Karen Brown *(Chicago)*
Editorial Cartoonist:	Roger Schillerstrom *(Chicago)*
Advertising Director:	Martin J. Ross III *(New York)*
Eastern Advertising Manager:	Stephen P. Lincoln *(New York)*
Midwest Advertising Manager:	Robert L. Niesse *(Chicago)*
District Managers:	Cynthia Bykowski *(New York)*
	Blake Delany *(New York)*
	Barrie Harmelin *(New York)*
	Charles A. Horvath *(New York)*
	Deborah D. Neale *(Chicago)*
Sales Assistant	Lori Lieberman *(Los Angeles)*
Classified Advertising Manager:	Lisa Mazzetti *(Chicago)*
Production Manager:	Elmer Kerstowske *(Chicago)*
Director of Communications:	Ronnie I. Drachman *(New York)*

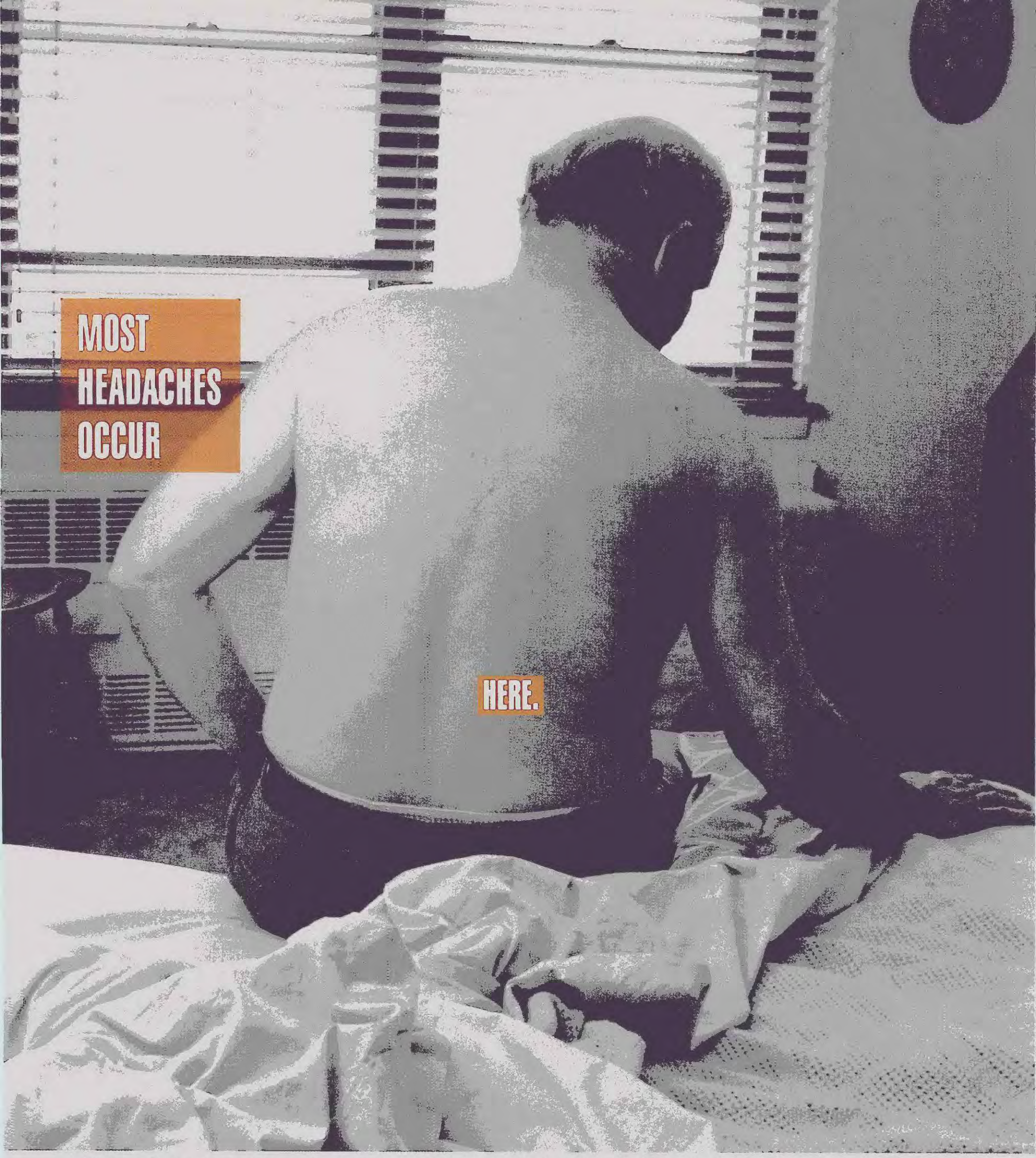
EDITORIAL:	Chicago:	312-649-5398
	London:	71-608-1172
	Los Angeles:	213-651-3710
	New York:	212-210-0100
	San Jose:	408-379-1790
	Washington:	202-662-7200
ADVERTISING:	New York:	212-210-0228
	Chicago:	312-649-5276
	Los Angeles:	213-651-3710
COMMUNICATIONS:	New York:	212-210-0132
SUBSCRIPTIONS:	Detroit:	800-678-9595

Published by Crain Communications, Inc., Chicago

Founder	G.D. Crain Jr.(1885-1973)
Chairman	Mrs. G.D. Crain
Vice chairman	Keith Crain
President	Rance Crain
Chairman-executive committee	S.R. Bernstein (1907-1993)
Treasurer	Mary Kay Crain
Secretary	Merrilee P. Crain
Executive Vice president-operations	William A. Morrow
Vice president-circulation	William Strong
Vice president-production	Robert C. Adams

Published weekly at 740 Rush St., Chicago, Ill. 60611-2590, Telex 6871241, Fax 312/280-3174, Cable CRAINCOM. Offices: 220 E. 42nd St., New York, N.Y. 10017-5806, Fax 212/210-0704, CRAIN COM NYK; 1 Northpark, East Suite 114, 8950 N. Central Expressway, Dallas, Texas, 75231-6415, Fax 214/696-1936; Suite 814, National Press Building, Washington, D.C. 20045-1801, Fax 202/638-3155; 6500 Wilshire Blvd., Suite 2300 Los Angeles, Calif. 90048-4947, Fax 213/655-8157; 540 Latimer Circle, Campbell, Calif. 95008, Fax 408/379-3257; Cowcross Court, 2nd Floor, 75-77 Cowcross St., London EC1M 6BP, England, Fax 71/608/1173. $4 a copy. $80 a year in U.S. $126 in Canada (includes GST). Firstclass mail subscriptions in U.S. $175, in Canada $198 (includes GST). All other countries $200/yr (includes expedited air delivery). DAVE KELLEY, circulation manager Four weeks' notice required for change of address. Send subscription correspondence to Circulation Department, Business Insurance, 965 E. Jefferson Ave., Detroit, Mich., 48207-3185, or phone 800-678-9595 or 313-446-0450, Fax 313/446-6777. Microfilm copies are available from University Microfilms, 300 Zeeb Road, Ann Arbor, Mich. 48013. Microfiche copies available: Bell & Howell, Micro Photo Division, Old Mansfield Road, Wooster, Ohio 44691. Portions of the editorial content of this issue are available for reprint or reproduction in other media. For information and rates to reproduce in general circulation media, contact: JOSEPH P. HANLEY, Crain News Service, 220 E. 42nd St., New York, N.Y. 10017-5806, 212-254-0890. For reprints or reprint permission contact: KAREN BROWN, Business Insurance, 740 N. Rush St., Chicago, Ill. 60611-2590, 312-649-5319, Fax 312/280-3174.

TO SUBSCRIBE TO THE WORLD'S LEADING COMMERCIAL INSURANCE PUBLICATION, CALL
800-678-9595
313-446-0450 outside of the U.S.
BPA INTERNATIONAL ABP



Lower back pain can strike people who perform physical labor as well as those who lift nothing heavier than a phone. But there's one other profession that also feels the strain. Those who must deal with their claims. At Intracorp, we have some remedies to help. The first being information. Our experience with backs goes back more than 20 years. We can draw on this knowledge to red-flag potential problems and recommend alternative treatment methods that minimize the impact on benefit usage. By taking charge of the claim from day one, we can also greatly reduce the opportunities for abuse. If it's a workers' comp case, we apply the same expertise. Working one-on-one with family, physician and employer to speed the healing process and assist in getting the employee back to work as soon as possible. Of course, there are other steps we can take. To learn more, call us at 1-800-345-1075.
Because this is one problem we just can't turn our back on.

INTRACORP THE HEALTH CARE MANAGEMENT COMPANY.

Turning to P/C TPAs for managed care help

Demand fueled by self-insurers' workers comp needs

By SALLY ROBERTS

Now that risk managers are starting to realize that managed care plans can help contain workers compensation costs, they are looking for these new services in an old place: from property/casualty third party administrators.

And self-insured companies are looking for more than managed care networks and utilization review programs. They also want medical and workers comp data in one data base so they can spot trends and set up loss control programs.

Along with better relationships and improved ways of measuring the effectiveness of TPA products and services, expanded managed care services are the biggest demands that risk managers are making on TPAs.

"The game has changed," said Andrew R. Daniels, vp and managing director at Crawford & Co. of Atlanta, the largest property/casualty TPA. "Corporations are re-thinking their strategy to connect group medical with workers comp."

"Clients are no longer simply satisfied with just claims handling," said Kevin J. Smith, chairman and chief executive officer of Alexsis Inc., the Livonia, Mich.-based subsidiary of Alexander & Alexander Services Inc. They want TPAs to bring an "integrated suite of solutions to the table" to solve their problems.

Risk managers are also looking for more synergistic relationships.

The buzzword these days is "partnering," contends Richard R. Rothman, executive vp of Gallagher Bassett Services Inc., a subsidiary of Arthur J. Gallagher & Co. in Itasca, Ill. Risk managers, brokers and TPAs all have to work in concert, he explained. "No one member of the group has all the keys to the kitchen. No one alone can sufficiently lower costs."

For Home Depot USA Inc., the most important thing a TPA can do is have a "symbiotic relationship with the (in-house) claims group," said James Murray, director of risk management for the Atlanta-based home-improvement store. They must work together to make sure claims are paid on time and nothing "runs afoul."

Home Depot self-insures its workers comp, general liability and auto liability risks. The retailer's TPA is GAB Business Services Inc.

More and more risk managers are requesting internal claims coordinators—TPA firm employees that act as a liaison between the firm and the client.

Sizzler International Inc., for example, has two internal claims administrators from GAB Business Services.

"My TPA is an extension of my department," said Kate McGuigan, director of risk management for the Los Angeles-based restaurant chain.

After cost-cutting moves trimmed her department from five to two people, two GAB claims administrators set up shop in the restaurant's headquarters. They are paid on a per-claim basis. Two other dedicated administrators handle the restaurant company's liability claims and crisis management.

The internal claims administrators "have worked incredibly (well)," said Ms. McGuigan. Both costs and claims are down for Sizzler, which self-insures its property, workers comp, general liability and auto liability.

Risk managers are also looking for ways to evaluate TPA performance.

Clients are asking, "How can you manage the return on my investment?" said Mr. Daniels of Crawford & Co.

"The buyer has changed," he said. Workers comp costs have increased so dramatically over the past five to six years that it's a topic of boardroom discussions. No longer is it just the risk manager calling on the TPA—it's the chief financial officer, chief operating officer and treasurer. "They want to know what they're buying."

Crawford provides clients with reports comparing its performance to benchmark targets and, in one recent report, to industry averages, he said.

That is just the sort of information clients say they want.

Take KFC Corp., for instance. For the past two years, the parent of Kentucky Fried Chicken restaurants has linked the pay of its TPA, Alexsis, to the firm's performance, said Christopher Mandel, director of risk management. The number of points scored per claim file determines how much they get paid. KFC uses a three-tiered performance scale to grade the TPA on 12 functions, including a "three-point contact" with the employee and his or her supervisor and doctor.

While performance measurement was taboo for the service industry a couple of years ago, more and more TPAs are accepting the idea.

It has proved "extremely beneficial" for KFC, Mr. Mandel said. "It has raised the quality of performance with our TPA."

KFC self-insures its workers comp, auto liability, products liability and general liability risks.

New technology is enabling risk managers to better evaluate TPA performance. New technology gives risk managers access to claims adjusters' notes so they view the progress of their claims at any time.

"The focus (in technology) has been to match up managed care information with claim information and provide it in a comprehensive form," said Jeff Weiss, president of Kemper Risk Management Services, a unit of Long Grove, Ill.-based Kemper National Insurance Cos.

Managed care systems gather every line of every medical bill, including the tax identification number, costs and utilization data. This information is then meshed with the claims information into one data base. For risk managers, the benefit of the combined information is being able to access all

Continued on page 12



This is the last place you want your employees to hear about workers compensation.

You know only too well that if one of your workers compensation incidents ends up in litigation, the cost can be astronomical. But there's a way you can insure immediate, accurate reporting and early intervention to dramatically reduce claim costs – with Corporate Systems' TeleClaim.

To report an incident, all you have to do is is call TeleClaim's 1-800 number. Your trained operators or ours take over from there. First Reports on Injury for all 50 states are immediately produced and distributed.

Quick response is vital to healthy employee relations. TeleClaim cuts response time, improves communication, and assures early capture of critical information such as witness names and addresses. All accident information is immediately available on-line for claims adjusters, case managers and other risk management personnel.

Plus, the timely efficiency of TeleClaim can reduce adminstrative cost dramatically – and that alone can more than pay for TeleClaim.

To find out how TeleClaim's automated early intervention can help control your workers' compensation, liability, property and crime costs, call Corporate Systems. But call today. Because if your employees don't like the way you're handling their case, they'll get someone else to handle it.

Call Scott Gilmour at 1-800-858-4364

csTeleClaim

corporate systems

THE RISK MANAGEMENT EDGE

Corporate Systems Center • 1200 Ross Street • Amarillo, Texas 79102-4410 • Phone (806) 376-4223 • FAX (806) 376-4077

Helmsman's corporate posture when it comes to adapting to your business.



At Helmsman, we know that each business has unique self-insurance needs. So we've built a flexible portfolio of products. We can tailor a self-insurance plan to meet your needs for loss control, claims and management information. Not only are we flexible, but as part of the Liberty Mutual Insurance Group we have over 80 years of experience controlling workplace injuries and managing claim costs effectively.

Helmsman offers two approaches to self-insured customers. Our proven full-service program includes coordinated claims administration, loss control and a risk information system. This program attacks the full range of workplace safety issues and injury costs. The end result is a lower final cost for your self-insurance program by reducing lost time, controlling medical payments and improving workplace safety.

In addition to our full-service program, Helmsman offers customized claims, loss control or risk information contracts. The claims component contains effective managed care functions. The loss control contract has state-of-the-art engineering programs to help reduce loss, and the risk information contract provides Risktrac,® a comprehensive risk information system.

So when you're in need of the highest quality self-insurance services, remember, at Helmsman we're always in the best position to help you.

Helmsman
Management
Services, Inc.

© Helmsman Management Services, Inc., is a wholly owned subsidiary of Liberty Mutual Insurance Group

Spotlight report

P/C TPAs

Continued from page 10

the information in one data base, Mr. Weiss said.

Clients are looking for the raw data and targeted reports to help drive costs down, and these systems allow risk managers and claims administrators to "pinpoint cost drivers in areas for further attention and management." Enhanced computer capabilities are also allowing risk managers to "watch and control" their claims file, said Mr. Durkalski of Gallagher Bassett.

Clients can call up their claims notebook on a computer 24-hours a day and see the adjuster's notes, to check whether claims got reported or to learn the status of any claim. Systems also allow risk managers to "communicate electronically" with the adjuster through E-mail, Mr. Rothman added.

"We're in a fish-bowl environment," he said. Because the risk manager can check at any time how a claim is being handled, there is the added pressure for the TPA to do a good job.

TPA executives say that to be profitable in today's marketplace, they must design products and services based on individual clients' needs.

One of the biggest needs to come out of client meetings is managed care, they say.

Whereas "rehabilitation was the hot button a few years ago, earlier intervention is more prevalent (now)," said John M. Kardos, a vp at Parsippany, N.J.-based GAB Business Services.

Risk managers and TPAs have figured out that "the best way to cut costs is with managed care," said Kemper's Mr. Weiss.

TPAs can play a variety of managed care roles. Some work in conjunction with newly beefed up in-house managed care staffs. Others work with outside managed care providers that employers have selected. And some are creating their own managed care networks for their clients.

Risk managers and TPAs think 'the best way to cut costs is with managed care,' says Jeff Weiss.

"Today's employers are more sophisticated. They don't want a straight TPA because they need to be a managed care operation," said David G. Noone, president and chief executive officer of Wilton, Conn.-based Preferred Works Inc., formerly Adjustco Inc. Therefore, Preferred Works is "reshaping more into a managed care company that does claims handling, rather than a claims handler that does managed care," Mr. Noone said.

Last year Preferred Works merged its managed care services and claims processing operations. "It's a melding of expertise," said Grace Armstrong, chief operating officer.

GAB is also connecting many of its medical and workers comp services, Mr. Kardos said. All workers comp wage loss files are reviewed by a medical professional. As soon as an injury occurs, the medical professional contacts the treating doctor, making sure they agree on the treatment and have an understanding about the return-to-work program.

Workers compensation is not the only high-cost field where managed care is making its presence felt. TPA firms say they are also making inroads into litigation costs.

The firms can help risk managers by selecting counsel, analyzing claims and making sure "the amount of hours and the approach are proper," said Mike Cancelliere, president and CEO of Acordia of Ohio in Cleveland. The Acordia Inc. unit administers workers comp claims.

On the higher end of litigation, like products liability, TPAs are starting to assess whether high-priced lawyers are worth the money, he said.

"There is more demand that the TPA take control over the situation" and make sure a litigation management program is in effect, agreed John Fahey, vp-litigation for Hertz Claim Management Corp. in Park Ridge, N.J.

Major changes may await risk managers and TPAs as Congress formulates a health care reform bill that may radically alter the workers compensation system.

President Clinton has proposed coordinating medical coverage for injured workers into a general system of health alliances. If Congress actually goes further and fully integrates the two systems, as some observers say the administration would prefer, some type of 24-hour program could emerge (*BI*, Oct. 18, 1993).

Either way, TPA executives say they will adapt.

"It is our goal to work in whatever environment," said Mr. Durkalski of Gallagher Bassett. Under the Clinton plan, a single-payer plan or any other, there will still be lots of medical bills to administer and a need for programs to get injured workers back to work, he said. "(Health care reform) doesn't make the medical bills go away."

While there is concern over health care reform, any changes are driven by the customers, said Harry J. Chororos, vp-sales for HCM. Customers are asking questions, but don't know exactly what they want since nothing is firm yet.

In the meantime, HCM is remaining "flexible enough to adapt," added Maryellen Peters, national director for workers comp. Even if the medical portion of workers comp is swept in, there still are the legal and wage-loss benefits to administer.

Until something is formalized, Kemper Risk Management is "developing concepts that will enable us to manage care on a 24-hour basis," Mr. Weiss said. "The emphasis as a workers comp specialist on both the medical costs of injuries and return-to-work programs is the right focus."

The 24-hour concept is a "wonderful concept" but has yet to "dot all the 'i's and cross all the 't's," said Mr. Daniels of Crawford & Co.

"Twenty-four hour coverage means different things," added Vp Barry R. LaFleur. It could mean meshing the systems so all compensable claims are paid by one supplier. But some states will not accept that approach, he said.

Another problem confronting any merged system is information systems that "are not in sync," Mr. LaFleur continued. With workers comp systems, there is an element of reserving and with benefits, there is just payment codes and no reserving. "In essence, medical cost containment in benefits does not connect with workers comp." BI



THERE'S ONLY ONE WAY TO KEEP AN ENVIRONMENTAL ACCIDENT FROM BECOMING A DISASTER.

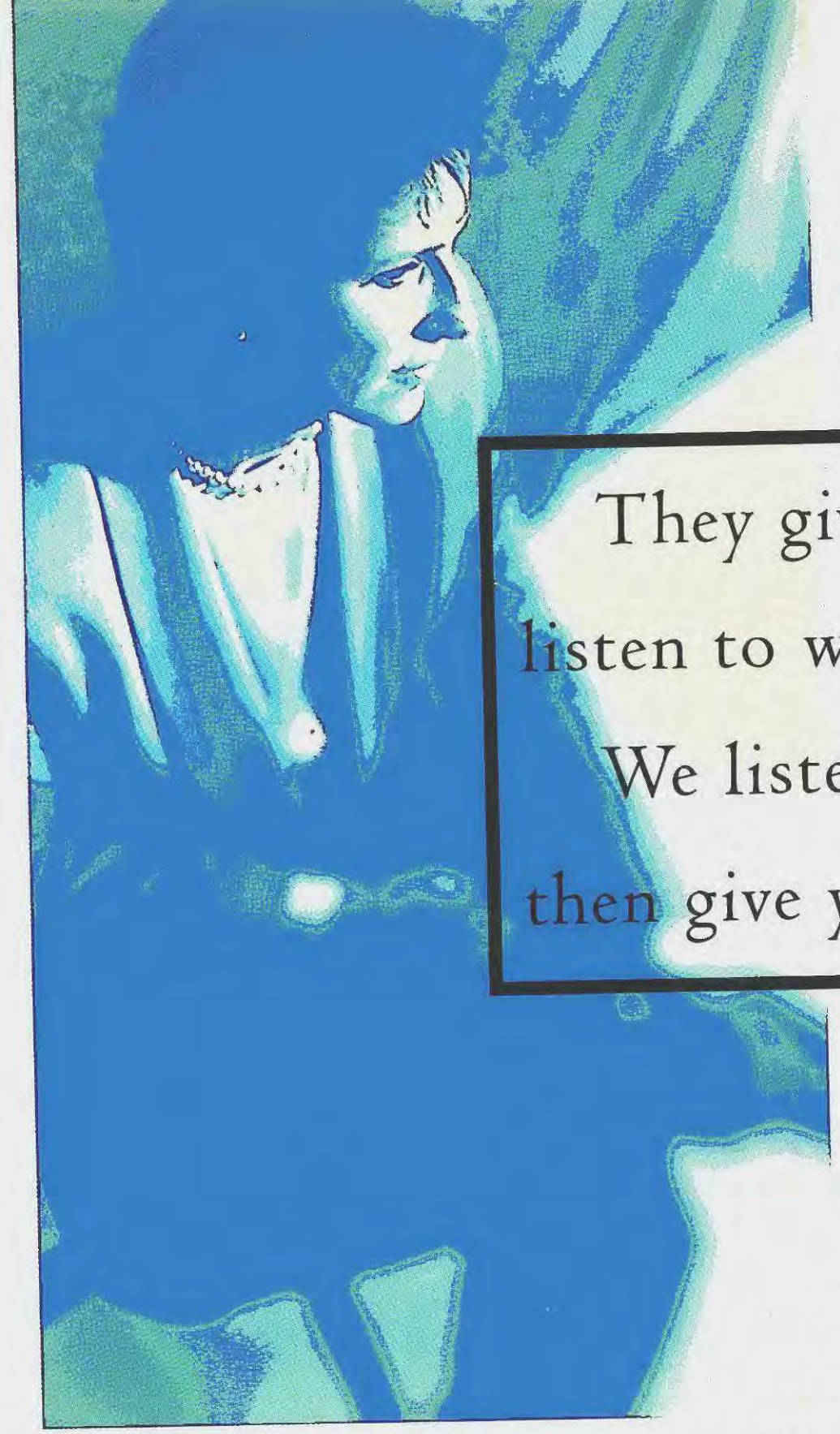
Call Environmental Claims Administrators first. We'll save you much more than money.

Chances are, you're familiar with the potential severity and complexity of environmental claims. What you may not know are the advantages of calling Environmental Claims Administrators (ECA) the minute there's a problem. Our attorneys and engineers extend an instant safety net to any company in need of effective claims management — containing costs, speeding the claims process and making the complex simple. And always with a sensitivity to your business needs and objectives, right down to detailed, effective and accountable reporting. When it comes to real world experience, ECA is second to none... because environmental claims management is all we do. ***Quality clean-up.*** ECA takes an aggressive role in the clean-up. The most important aspect of clean-up is quality. ECA will oversee a national network of reliable contractors with proven records of performance. And the results are seen in dramatically reduced clean-up expenses. ECA makes certain that dependable professionals do it right... the first time. ***Thorough follow-up.*** ECA also helps you minimize or even avoid the legal problems and pitfalls which may result from an environmental incident. Our lawyers evaluate and continually monitor every aspect of your claim, controlling the hidden costs often associated with litigation. ***Now it's up to you.*** When an accident occurs, don't fall into a hazardous situation, ***call ECA first.*** We're the only third party Administrator dedicated exclusively to environmental claims management.

Get to know us before you need us. Call ECA now at 610-269-3941, for specific examples of how we've saved our clients time, money and worry.

ECA
ENVIRONMENTAL CLAIMS ADMINISTRATORS, INC.
An ECS Company

721 East Lancaster Avenue, P.O. Box 184, Downingtown, PA 19335-0184 (610) 269-3941 FAX (610) 269-3948



They give you a plan, then listen to what you think.

We listen to what you think, then give you a plan.

You know what it's like with most 401(k) providers. They tell you what they've got and you can either take it or leave it.

We do things differently. First of all, we listen carefully to you and your employees to find out what it is you're really looking for. Then we create a high performance JOHN HANCOCK 401(K) FLEXIBLE PLAN to meet your administrative needs and the "wealth-building" goals of all your 401(k) investors.

Real life, real answers.®
John Hancock
Financial Services

The customer services we provide you are flexible, too. Everything from recordkeeping and compliance oversight to educating your 401(k) investors is our job, not yours.

To find out more about a John Hancock 401(k) Flexible Plan, please call us today at (800) 294-7734.

But don't be surprised if you do most of the talking.

© 1994 John Hancock Mutual Life Insurance Company and affiliated companies, Boston, MA 02117

Before we can change what insurance costs, we have to change how insurance works.

© 1993 The Continental Corp.



Introducing the client-focused structure from Continental Risk Management.

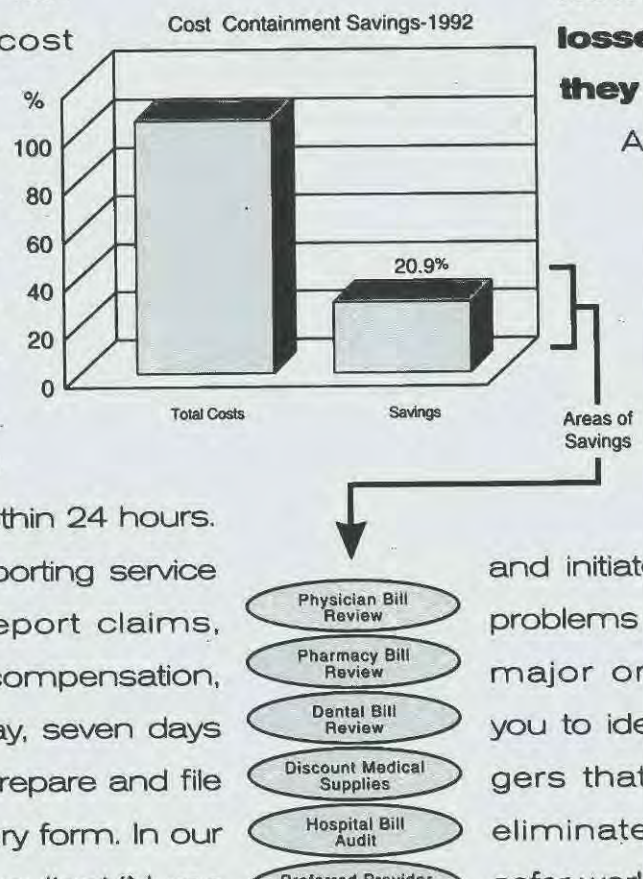
Let's just say our structure is a bit more focused than most. Focused on helping you and your company cut medical, litigation, and indemnity costs.

In the past, an account manager might have had to manage 30 to 40 different accounts. With that many accounts, how could you get to know the specific needs of any one?

At Continental Risk Management, we've simplified things. A dedicated team of insurance professionals representing claims, underwriting and loss control is assigned to each client. We get to know your account thoroughly. Which enables us to focus on our sole responsibility. To reduce your insurance and loss costs.

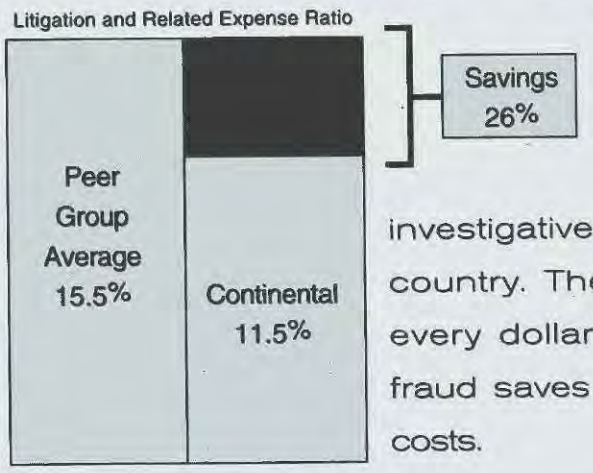
Our innovative claims management saves clients over 20 cents on every dollar.

Because our client-focused teams are in daily contact with you, we can see cost containment opportunities that others may miss. Our Aggressive Early Intervention Program enables us to contact injured workers, their employers, and treating physicians within 24 hours. Our 1-800 claim reporting service means you can report claims, including workers' compensation, to us 24 hours a day, seven days a week. We'll even prepare and file the first notice of injury form. In our unique Medical Consultant/Nurse Consultant Program we use practicing physicians and on-site nurses to develop sound medical and return-to-work strategies, as well as identify unnecessary treatment. Giving us a level of expertise that others don't have. Plus our retrospective bill reviews check for adherence to fee schedules and duplicate billing. And we use preferred provider organizations with prearranged discounts, as well as services for discount prescriptions and medical supplies. It all adds up to lower costs for you.



We minimize litigation and related expenses.

We're also good at controlling litigation costs, because we're part of Continental Insurance. In fact, the most recent statistics available indicate that Continental's litigation and related expenses are significantly lower than 16 peer competitors. We tap into Continental's 400 seasoned legal professionals, who have an average of ten years' trial experience. When we do go to trial—three times more than the industry average—we receive defense verdicts 72% of the time.



How we prevent losses before they occur.

Another advantage to our client-focused structure is that we have the time to get intensely involved in your business. We're able to anticipate your needs and initiate solutions to minor problems before they become major ones. We work with you to identify workplace dangers that may exist, and to eliminate them to create a safer working environment.

Controlling fraud: prevention, deterrent, and prosecution.

Fraud is a $17 billion a year problem. It costs everybody. At Continental Risk Management, we're doing something about it. It begins with education.

We work with you to make your employees aware of their rights under workers' compensation, so they're less likely to take advantage of the system. We're also developing a reputation as a company that aggressively pursues fraud. We're a founding member of the Coalition Against Insurance Fraud. We fund sting operations. We have 10 investigative offices across the country. The end result is that every dollar we spend to fight fraud saves nine dollars in loss costs.

The importance of risk transfer know-how.

Big companies manage their risk in different ways. Whether you choose a retro plan, a large self-insured retention, deductible, or captive arrangement, we have the underwriters with the expertise and creativity to design a program just for your business.

We listen. We are flexible. We are responsive.

We've changed the structure of risk management. It's built upon dedicated client teams that listen, are flexible, and are responsive to your needs. This 100% dedication to you allows us to reduce your loss and insurance costs better than anyone in the industry.

For more information about Continental Risk Management, call our president, Adrian Tocklin, at (212) 440-3693. She'll be glad to hear from you.

Continental Risk Management℠

Benefit TPAs expanding into managed care

Flexibility is key to strategy to woo new business

By DAVE LENCKUS

Benefits third-party administrators are scratching out a new role for themselves as managed care companies and more even though the future face of the health care system remains uncertain.

But, consultants say there is some disparity between the managed care features and data reports that some TPAs provide and what employers currently want and need.

For the past few years, TPAs have said they want to be considered managed care companies rather than mere claims administrators. Their business focus has shifted from only paying claims to helping employers ensure the delivery of appropriate and cost-effective health care for their employees.

Polishing the edges of this business strategy, TPAs continue to enhance their claims-administration technology and data reporting capabilities. In addition, they continue to affiliate with or establish provider networks, or strengthen the managed care features of networks they already offer.

Consultants credit TPAs for already being more flexible than commercial insurers in managing the variety of health care delivery options that many national employers offer in different regions and in producing ad hoc reports.

"Those are areas TPAs no longer have to be bashful about in discussions with major companies," said Curt Speed, a consultant with Hewitt Associates in Lincolnshire, Ill.

"For a large client dealing with large commercial carriers, there's only a certain amount of variation to the routine they'll be able to provide you with," said Jim Curtin, a managing consultant with A. Foster Higgins & Co. Inc. of New York. "The flip side of that coin is their ability to provide managed arrangements," he added.

The results of TPAs' efforts in these areas is minimal administrative hassles for employers and quicker, more accurate electronic claims processing, consultants say.

These strides are luring some plan administration business away from commercial health insurers, said Rosemary Goudy, a principal with William M. Mercer Inc. in Stamford, Conn.

"If TPAs' costs are low and service is high, benefit managers who once said, 'I'll stay with the big names,' are more willing to look. They're much more price sensitive now," she said.

She also credits TPAs for improving their customer service, particularly how quickly their 800 phone line counselors assist callers.

But, the success of their efforts to provide more comprehensive managed care services is not yet clear, consultants say.

"I would speculate that it's something that's still evolving," Ms. Goudy said.

Consultants complain that some TPAs still focus too much on arranging provider networks that discount the cost of care rather than manage care.

The provider networks some TPAs offer "may not be as effectively managed" as the networks built by health insurers, which use "elaborate structures of medical management teams and staff physicians to manage care," said Hewitt's Mr. Speed.

However, he pointed out that selecting a network that measures up in that area is difficult for many benefits managers who are under pressure from management to "contribute to the bottom line" by finding one that gives the company a financial advantage.

On the managed care front, TPAs say they are continuing to refine their services.

Bruce L. Miller, chairman and chief executive officer of CoreSource Inc., said he does not care if clients use other TPAs because the company is primarily concerned about managing care for clients.

On the strength of $2.11 billion of claims paid for self-insurers in 1993, a nearly 51% one-year increase, Northbrook, Ill.-based CoreSource is now the second-largest benefits TPA and second-largest TPA overall.

Under CoreSource's managed care approach, which resembles a self-insured health maintenance organization arrangement, its primary care network physicians agree to economic risks and incentives based on their ability to manage total costs.

For each self-insured client, CoreSource also establishes a board consisting of the client's representatives as well as providers to study and react to utilization trends and provider practices.

But, unlike traditional HMOs, CoreSource's products can be modified according to the client's human resources needs, Mr. Miller said. For example, one plan can be built for a paternalistic company. And, a completely different plan can be built for companies in the retail trade, which traditionally offer less generous benefits than companies in other industries.

The Travelers Plan Administrators Inc. of Hartford, Conn., last July began offering a point-of-service product that is not limited to the TPA's own provider networks. "We can overlay the POS over anyone's network," said Stephen F. Rasnick, president of Travelers Plan, which was the fifth-largest benefits TPA and sixth-largest TPA overall in 1993, based on $1.56 billion of claims paid on behalf of self-insurers.

"The problem traditionally with POS plans is that you had to deal with one network to properly train primary care physicians," who typically serve as gatekeepers of care delivery for plan participants.

"We simplified the program to deal with any PPO program," he said.

The TPA's product uses nurses in coordination with physicians as

Continued on page 18



THE DIFFERENCE BETWEEN NIGHT AND DAY.

At F.A. Richard & Associates, we don't process insurance claims. We *manage* them.

The difference is as clear as day.

Processing claims is reactive–it can all too easily become an exercise in paper shuffling. The science of claims management, as we practice it, is active, responsive and goal-oriented.

When claims are filed, we get involved. Thoroughly involved. We talk with claimants. We consult physicians. We keep things moving, monitoring both quality and cost-efficiency. We make sure you always know the exact current status of your claims.

Instead of plugging you into a processing program, we set up a management system that meets your specific needs. And we give every claim the kind of personal attention that minimizes lost time while emphasizing real concern for the people you insure.

Let us shed some light on your options and opportunities. You'll see for yourself the clear difference between claims processing and claims management.

It's like night and day. And you'll like it.

Call Todd Richard
Executive Vice President
(504) 624-8383

F.A. RICHARD & ASSOCIATES

The Science of Claims Management
Corporate Office
2360 Fifth Avenue, Ste. 100
Mandeville, Louisiana 70448

Reinsurance is a safety net, not a game of chance.



A reinsurer's staying power should be your first concern.

As part of the worldwide Swiss Re Group, which has over 100 years of professional reinsurance experience and $33 billion in assets, our commitment is beyond question.

We provide our clients with stable capacity they can count on, year after year. And a complete range of services for U.S. intermediaries, including claims, actuarial and financial services.

To keep pace with our clients' constantly changing needs, we remain flexible in constructing customized reinsurance programs.

Western Atlantic.
The reinsurer you can rely on.

WESTERN ATLANTIC

WESTERN ATLANTIC REINSURANCE CORPORATION
380 MADISON AVENUE, NEW YORK, NY 10017 TELEPHONE 212 973-5800

Benefit TPAs

Continued from page 16

gatekeepers. So, plan participants can select any primary care physician they wish—in or out of the provider network to which they belong.

But, if plan participants elect out-of-network care, the gatekeeper will try to steer them back to network providers.

Travelers Plan also has introduced a utilization review program.

First Health Strategies Inc., the nation's largest TPA overall, later this year also plans to unveil a POS product in which the primary care physician will act as a gatekeeper and manage every component of a plan participant's care.

Salt Lake City-based First Health paid $3.04 billion in claims on behalf of self-insurers last year.

EBP HealthPlans Inc., formerly Employee Benefits Plans Inc., restructured last year and transferred its UR business from its now-defunct August Healthcare Services Inc. subsidiary to HealthCare Compare Corp.'s AFFORDABLE Medical Networks. AFFORDABLE now provides UR as well as PPO services to all EBP clients, said Timothy Kuck, chief financial officer of Minneapolis-based EBP.

EBP is the third-largest benefits TPA and the third-largest TPA overall, based on $2.1 billion of claims paid on behalf of self-insurers.

The reorganization also divided EBP into four "health plans" operating fairly independently in the nation's Western, Central, Northeast and Southeast regions. Mr. Kuck explained that since health care is a locally determined product, such a reorganization will get EBP "closer to clients" and allow it to "react more quickly on a regional basis."

The claims administrator is now a subsidiary of EBPLife Insurance Co., which writes stop-loss insurance.

EBP also plans to offer in the next few months a capitated fully insured product that will include in- and out-of-network benefits. And, on the West Coast, it plans to offer an exclusive provider organization soon in association with AFFORDABLE.

Harrington Services Corp. of Columbus, Ohio, is aligning itself with physician/hospital organizations, which resemble independent practice association HMOs.

Rather than focusing solely on negotiating reduced reasonable and customary physician costs, PHOs also evaluate practice patterns and try to manage utilization, explained Harrington President Robert Parker.

Harrington ranks as the fourth-largest benefits TPA and the fifth-largest TPA overall, based on more than $1.63 billion in claims paid on behalf of self-insurers, a 50.7% increase from last year.

Consultants also say the reporting capabilities of some TPAs still are not adequate, though they are improving.

"The typical TPA package has different cuts of data, but you rarely get into anything that has to do with the significance of data," Mercer's Ms. Goudy said.

"You can cut it six ways to Sunday, but what is meaningful to one company may not be meaningful to another," she said.

"Where TPAs are coming up short is their ability to produce meaningful reports that allow clients to drill down through the data to find out what's going on" with health care expenses being driven by hospital care, physician care and ancillary care, said Lew Devendorf, a Stamford, Conn.-based associate at Mercer.

For example, many TPAs' data reports do not show physician upcoding and unbundling practices, he said.

He also would like to see more TPAs begin analyzing hospital costs and lengths of stay by diagnostic-related group standards so employers can compare provider practices from various sections of the country.

Mr. Devendorf noted, though, that "large insurers are not necessarily ahead of TPAs" in their ability to produce meaningful reports.

TPAs' reporting capabilities still are "in a state of flux," said Debi Hessel, a senior consultant with Coopers & Lybrand in New York. "But, the changes are being received by clients as the right ones."

Several large TPAs, though, point to recent improvements in their reporting capabilities.

Travelers Plan a few months ago introduced a physician profiling system that reviews treatment outcomes and prepares a comparative analysis of a provider to others in the employer's network.

Large employers that have used a network for an extended period can obtain such reports sooner rather than later, because there is enough data to make meaningful comparisons, Mr. Rasnick said.

Other employers may have to wait up to a year for enough data to accumulate before such reports are meaningful.

Most of the pieces of First Health's electronic data linkup system for employers and providers are functioning, said George W. Dreisbach III, executive vp-sales and marketing.

Atlanta-based information services firm First Financial Management Corp., the new parent company of First Health, "wants to get into health care in a big way," including providing health care payers information and helping them manipulate data, Mr. Dreisbach said.

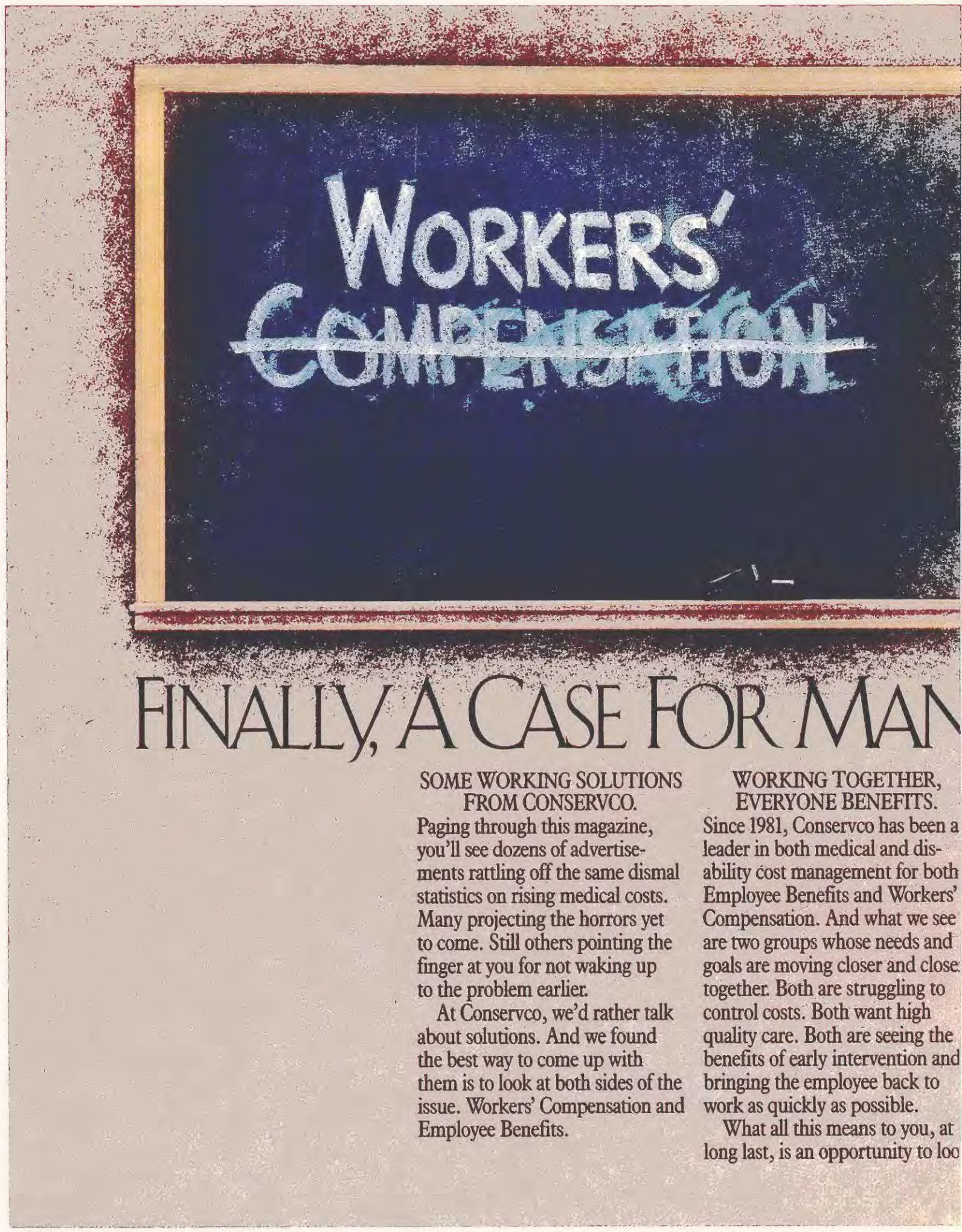
For example, the firm is beginning to offer clients the opportunity to evaluate the effectiveness of their providers.

In addition, plan participants now have cards that providers can use to confirm electronically the individual's benefits and plan eligibility status.

In an effort to bring all of these services to market, many TPAs continue to bulk up by merging with other firms or gobbling up smaller companies.

Consultants and TPA executives expect to see many small TPAs die because, unlike the larger firms, they cannot afford to make the in-

Continued on next page



Continued from previous page
vestment needed to develop managed care services.

But, at least one small third-party administrator plans on becoming a big player in the TPA marketplace and already has lured huge hospital chain Hospital Corp. of America into its fold (see story, page 19).

Many TPAs also are positioning themselves for an overhaul of the health care system, which could mean a sharp reduction in the number of employers that are allowed to self-insure.

Under President Clinton's health care reform proposal, only employers with 5,000 or more employees would be able to opt out of regional alliances and self-fund their health care programs. But, the administration has signaled it is open to compromise on that number (*BI*, Jan. 31).

Many TPAs are beginning to affiliate with vertically integrated health plans, which they say are the precursors to the accountable health plans that would vie for business from the giant purchasing alliances that President Clinton envisions.

With their enhanced technology and managed care capabilities, many TPAs plan to align themselves with AHPs to provide the plans with backroom operations. And, some TPAs even hope to begin underwriting and become AHPs.

No matter what health care reform measures are enacted in Washington, many TPAs believe that AHPs or something similar will proliferate.

A byproduct of the reform debate is that doctors and hospitals already are merging to form integrated health systems, which are "precursors to what Clinton envisions as AHPs," said Travelers Plan's Mr. Rasnick said.

CoreSource perhaps is the quickest out of the blocks to enter the AHP marketplace. It is looking at underwriting health plans in about 35 states, according to Mr. Miller.

Other TPAs seriously looking into this approach are First Health, Travelers Plan and Harrington. BI

Small TPA lures big client with managed care approach

A Minneapolis utilization review firm with a small third-party claims administration operation hopes to buck the common belief that small TPAs are a dying breed and help its subsidiary become a major player.

Health Risk Management Inc. plans to increase business for its HRM Claim Management Inc. unit by emphasizing its managed care approach. That approach recently landed the company's largest client so far—Hospital Corp. of America.

HCA, which employs about 38,000 at 95 sites nationwide, tapped HRM beginning this year because the firm's approach to managed care was "clinically based" and "supportive of physicians," said John L. Anderson, assistant vp-employee benefits for the self-insured Nashville, Tenn.-based organization. HCA formerly had an administrative-ser-

Continued on next page



AGING THEM TOGETHER.

t your total medical cost picture
nd manage with a more unified,
lexible, cost-effective system than
ver before.

A NEW SYSTEM BASED ON AN OLD CONCEPT: COMMON SENSE.

Take the case of the 24-hour RN. Upon closer examination, the injured employee had progressed to such a point that all he really needed—and wanted—was a weekly visit from a local LPN. Just that little bit of common sense saved the company more than $6,000 that year. At Conservco, we have hundreds of little solutions like this that add up to big savings. Solutions that work no matter where the injury occurred, who's paying, or how simple or complex the claim.

WHAT WE PUT TOGETHER, YOU CAN TAKE APART.

Everything we offer at Conservco—from Utilization Review and Hospital Bill Auditing to Medical/Disability Management and our growing provider network — is the best available. So whether you select one or any combination of our services, you'll go a long way to help contain costs. The point is, with cost management systems in effect at every stage in the cycle of every case, from the onset of illness through recovery and billing, regardless of whether the claim is covered by Workers' Comp or Employee Benefits, you are in control. And only by being in control can you truly manage.

Call us at 800-525-5590 (in Tampa, Florida 813-969-0701), and we'll work something out.

Together.

CONSERVCO

WORKING TOGETHER, EVERYONE BENEFITS.
Integrated Medical/Disability Management

Business Insurance®

• EVENTS •

RISK MANAGER OF THE YEAR AND RISK MANAGEMENT HONOR ROLL AWARDS

These awards recognize individual accomplishments in the field of risk management. For nominating forms and rules, write or call:

BUSINESS INSURANCE
Editorial Department
740 Rush Street
Chicago, IL 60611-2590
phone: 312/649-5319
fax: 312/280-3174

EMPLOYEE BENEFITS COMMUNICATION AWARDS

The EBC awards honor employers for excellence in communicating benefits programs to their employees. Insurance companies and consulting firms also are recognized for their participation in the preparation of award-winning communication programs. For entry forms and rules, write or call:

BUSINESS INSURANCE
Communication Services
220 East 42nd Street
New York, NY 10017-5806
phone: 212/210-0299
fax: 212/210-0704

HEALTH CARE MANAGEMENT & COST CONTAINMENT CONFERENCES

Presented in conjunction with IBF Conferences, these events address the specific concerns of corporate executives purchasing health care for their employees. Sessions cover the rapidly changing managed care industry and creative and innovative strategies to curb costs.

WORKERS COMPENSATION CONFERENCE

Presented in conjunction with IBF Conferences, this event addresses the specific concerns of corporate executives managing workers comp programs and rehabilitation services. Sessions cover this rapidly changing environment and creative and innovative strategies to curb costs.

For details on registration or exhibition for any *BI* conference, write or call:

BUSINESS INSURANCE
Communication Services
220 East 42nd Street
New York, NY 10017-5806
phone: 212/210-0299
fax: 212/210-0704

For more information, call one of the numbers listed below:

Advertising information: 212/210-0228
Subscription information: 800/678-9595

Continued from previous page
vices only arrangement with a large commercial insurer.

Under HRM's managed care treatment guidelines, treating physicians have several treatment options. The physicians are walked through the guidelines by nurse reviewers who specialize in that area of care and who work with specialists in that area. The guidelines also help ensure that aggressive treatments are not delivered until less invasive treatments are attempted and fail.

The company's reviewers have changed the treatment for which physicians have sought approval in 23% of the cases, said HRM Claim Management President Charlie Holland.

HRM Claim Management also verifies that hospital patients receive the treatment they should during each day of their stay to avoid unwarranted extended stays.

HRM Claim Management's relative infancy in the managed care area was a concern for HCA. But, the TPA provided a detailed implementation plan, and Hewitt Associates audited how the firm performed in processing a batch of test claims.

While HCA's claims administration costs will be somewhat higher with HRM Claim Management than under its previous ASO contract, its expected savings in claims costs will mean an overall 10% savings, Mr. Anderson said.

HRM Claim Management paid $192 million in claims for its 80 self-insured clients in fiscal 1993, which ended June 30. The clients had about 273,000 employees and dependents, a figure that the firm expects will nearly double this year.

—By Dave Lenckus

Stop-loss remains popular, prices moderate

By DEBORAH SHALOWITZ COWANS

Rate increases for specific stop-loss insurance coverage are moderating as a result of lower medical inflation rates.

And competition among underwriters of the coverage seems to be less fierce than in previous years, when new players were entering the field in droves.

Specific stop-loss coverage rates are increasing 10% to 20% this year for employers that self-fund their health care plans. Last year, stop-loss coverage rates rose 25% to 30%, after skyrocketing 30% to 50% the previous year.

Stop-loss insurance coverage comes in two types: specific and aggregate.

Specific stop-loss coverage is triggered when an individual's claim reaches a specific threshold chosen by the self-insured employer. Once that threshold is reached, the policy generally will pay claims up to the medical plan's lifetime limit per employee. Minimum thresholds vary by insurer.

Aggregate stop-loss coverage is triggered when a self-insurer's total group health claims reach a certain threshold, typically 125% of its annual estimated group health claims costs.

Stop-loss coverage remains popular among employers that self-insure their health care plans.

According to a soon-to-be released survey by A. Foster Higgins & Co. Inc., 64% of employers with 1,000 or more workers self-funded their medical indemnity plans and bought stop-loss coverage last year. An additional 14% of large employers self-fund their health care plans but do not buy stop-loss coverage, according to the survey. These figures cannot be compared to those in previous years because of changes in the survey's methodology.

Among employers with fewer than 1,000 workers, 13% self-fund with stop-loss protection while 5% self-fund without stop-loss coverage, the survey of 2,395 companies found.

Stop-loss coverage rates are directly related to the medical trend rate, experts agreed. The medical trend rate encompasses both medical price inflation and utilization.

Stop-loss insurance rate increases "are much more moderate this year than previous years" because of a lower medical trend rate, said Joyce Wans, a vp at accident and health reinsurance underwriting manager Duncanson & Holt Group Inc. in Seattle.

The medical trend rate is down for several reasons.

Earlier and better case management has reduced the number and cost of catastrophic medical claims, pointed out Tom Beauregard, a consultant in the Rowayton, Conn., office of Hewitt Associates.

Also, the emergence of centers of excellence—which offer discounted organ transplants for members of managed care networks—has tempered the previously astronomical cost of organ transplants, he said.

In the past, organ transplants accounted for a fair amount of specific stop-loss threshold triggers, Mr. Beauregard explained.

Ms. Wans noted that in the past year there have been no new technologically complex medical breakthroughs, which usually are quite expensive.

Generally, stop-loss insurance is less expensive for coverage that attaches at a higher threshold and more expensive for coverage that attaches at a lower threshold.

However, this is not a steadfast rule.

Reinsurers, when setting stop-loss coverage rates, do not necessarily look at an individual company's particular experience, said Gary Lake, a consulting actuary in the Washington office of Foster Higgins.

"It definitely behooves an employer to take a look at his own experience and then get several different quotes at different attachment points," he said. "You've got to kind of double-check the reinsurers out on their prices."

Aggregate stop-loss insurance coverage is becoming less popular among self-insured employers than specific coverage because it is unlikely that total group health claims will hit 125% of a self-insurer's annual estimated group health claims costs, experts agreed.

Fewer employers are buying aggregate coverage than in previous years, said Scott Taylor, vp of SAFECO Life Insurance Co. in Seattle.

Aggregate stop-loss coverage is "nothing more than sleep insurance," said Mr. Beauregard.

Some insurers are offering new hybrid products that blend specific and aggregate coverage, noted Robert Olsen, a managing director of Pacific Risk Management Services in Fountain Valley, Calif., a unit of PM Group Life Insurance Co.

For example, Pacific Risk's new "aggregated specific arrangement" is generating some interest, he said.

Under this program, the employer sets a specific stop-loss threshold. Then the employer's premium is discounted by a percentage that varies depending on the size of the group. The employer must pay the amount of the discount if any individual claim exceeds the specific threshold before the aggregate coverage kicks in.

"It's a very effective method for employers to contain the cost of their plans," Mr. Olsen said. "There's as many variations of how this is arranged as there are carriers."

Competition in the stop-loss market seems to be less keen than in previous years.

Stop-loss coverage is "not the growth industry it once was because self-insurance is so prevalent" among employers, Mr. Taylor said.

And, there are "a lot of people who fear that stop-loss and self-insurance will be outlawed by (health care reform) changes or at least made to be an unattractive option," said Duncanson & Holt's Ms. Wans.

Companies that already are in the market probably will stay in, she predicted. However, "as time goes on, it gets less and less attractive to new players." BI

After Answering 679 Actuarial Questions, Our Fee Came To A Total Of $0.00.



It's a busy morning on the Actuarial Assistance HotLine.

First, it's a senior life actuary. He asks about accelerated benefit product design. Later, a valuation actuary wants to discuss reserving for AIDS. Then there's a question about last-survivor pricing.

An actuarial resource for our clients.

With the toll-free Actuarial Assistance HotLine, preferred life reinsurance clients of Lincoln National can save time and money getting help with actuarial questions. There's no fees, no statements, and no strings attached.

The HotLine staff taps a resource pool of some of the most experienced actuaries in the field. They can share Lincoln National's research, experience or just a well-reasoned opinion. Even on the newest products. The latest legislation.

Why would a reinsurer offer a service like this?

You may think it's unusual for a reinsurer to offer a service like the HotLine, and you're right. It all comes down to this—we focus on serving as a broader resource to your company. That's what underlies our range of unique products and services, all designed to contribute to your success in new ways.

To learn how this approach can make a bottom-line difference to your company, call Joanne Collins, Director of Marketing, at 1-800-441-3989 or your Lincoln National account executive.

LINCOLN NATIONAL REINSURANCE COS.
A part of LINCOLN NATIONAL CORPORATION
The Reinsurance Resource.
One Reinsurance Place
1700 Magnavox Way • Fort Wayne, Indiana 46804

Directory of TPAs specializing in employee benefit claims

A

ACMG Inc.

2570 Technical Drive, Miamisburg, Ohio 45342; 513-866-6660; fax: 513-866-8083

Revenues

Total	$6,800,000
Claims administration	14%
Other services	86%
Includes: Section 125 administration, consulting, managed care services	
Claims revenue	$972,345

Claims business by type

Flex compensation	1%
Health insurance	99%
Employees covered	70,952
Dependents covered	46,339

Claims business by volume

Administration claims paid	$16,194,808

Clients

Administration	28

Staff

Total	142
Claims services	58

Claims services since: 1987.
Service area: Indiana, Kentucky, Mississippi, Missouri, New York, North Carolina, Ohio, South Carolina.
Branch offices: Administrative and sales offices in Lexington, Ky.; Spartanburg, S.C. Additional administrative offices in Bowling Green and Frankfort, Ky.; Columbia, S.C.; Jacksonville, Fla.; St. Louis.
Membership: SPBA, SIIA, IFEBP.
Officers: Paul W. McVay, president/CEO; Charles P. Duncan, executive vp/CFO; Lance D. Marshall, vp-client relations; Peggy A. Eads, vp-MIS; Belinda C. Cox, vp-South Carolina operations.
Contact: Lance D. Marshall, vp-client relations.

Acordia Benefits of Florida Inc.

6440 Southpoint Parkway, Jacksonville, Fla. 32216; 904-279-0200; fax: 904-279-2099

Revenues

Total	$9,500,000
Claims administration	10%
Claims adjusting	3%
Claims auditing	2%
Other services	85%
Claims revenue	$1,500,000

Claims business by type

Health insurance	100%
Employees covered	10,000
Dependents covered	30,000

Claims business by volume

Administration claims paid	$36,000,000

Clients

Administration	16

Staff

Total	150
Claims services	24

Claims services since: 1991.
Parent: Acordia Inc.
Service area: Florida.
Branch offices: Administrative and sales office in Tampa, Fla.
Membership: SIIA.
Officers: John J. Emerson, president/CEO; William E. Hotchkiss IV, vp-administration/CFO; Eileen Goldman, vp-operations; Patricia Hickox, vp-underwriting.

Acordia Business Benefits of Evansville Inc.

1 Riverfront Place, Suite 400, Evansville, Ind. 47708; 812-465-6000; fax: 812-465-6015

Revenues

Total	$7,900,000
Claims administration	100%

Claims business by type

Health insurance	100%
Employees covered	22,662
Dependents covered	29,103

Claims business by volume

Administration claims paid	$3,200,000

Clients

Administration	5,500

Staff

Total	99
Claims services	4

Claims services since: 1989.
Parent: Acordia Inc.
Service area: Southwestern Indiana, western Kentucky.
Membership: SPBA.
Officers: Russell W. Sherlock, president/CEO; Jaron Johnson, vp-finance; Jean Russell, vp-operational/medical services; Michael Hochgesang, vp-systems; Tracy Wiseman, general counsel.
Contact: Kathy Holder, marketing services consultant.

Admar Corp.

1551 N. Tustin Ave., Suite 300, Santa Ana, Calif. 92701; 714-953-9600; fax: 714-953-9060

Revenues

Total	$17,000,000
Claims administration	16%
Other services	84%
Includes: managed care and utilization review services	
Claims revenue	$3,300,000

Claims business by type

Flex compensation	3%
Health insurance	97%
Employees covered	22,300
Dependents covered	25,700

Claims business by volume

Administration claims paid	$63,000,000

Clients

Administration	63

Staff

Total	260
Claims services	50

Claims services since: 1973.
Service area: Nationwide.
Branch offices: Administration offices in Boulder, Colo. Sales offices in Bloomfield Hills, Mich.; Houston; Phoenix; St. Louis.
Claims subsidiaries: Benefit Plan Administrators, Boulder, Colo.
Membership: SPBA, SIIA.
Officers: Richard Toral, chairman; Virginia Pasqual, chief administrative officer; Stephen Goodell, president-managed benefits division; John Gray, president-managed care division.
Contact: Dale Whitens, sales manager.

Administrative Management Group Inc.

3800 N. Wilke Road, Suite 250, Arlington Heights, Ill. 60004; 708-577-6000; fax: 708-870-9200

Revenues

Claims administration	15%
Other services	85%

Claims business by type

Health insurance	100%
Employees covered	5,000
Dependents covered	12,500

Claims business by volume

Administration claims paid	$18,000,000

Clients

Administration	10

Staff

Total	80
Claims services	12

Claims services since: 1989.
Service area: Nationwide.
Membership: SIIA.
Officers: John Salajka, Dave Goldenberg, Greg Amick, Pat Zirkelbach, Bill Dahlin.
Contact: Mark Tucker.

Administrative Service Consultants

3301 E. Royalton Road, Cleveland, Ohio 44147; 216-526-2730; fax: 216-526-1608

Revenues

Total	$4,500,000
Claims administration	96%
Claims adjusting	3%
Other services	1%
Includes: consulting	

Claims business by type

Health insurance	100%
Employees covered	46,000
Dependents covered	212,000

Claims business by volume

Administration claims paid	$124,500,000

Clients

Administration	302

Staff

Total	96
Claims services	41

Claims services since: 1972.
Parent: Employee Benefit Claims of Wisconsin.
Service area: Nationwide.
Branch offices: Administrative offices in Findlay, Ohio.
Membership: SPBA, SIIA.
Officers: Steve Hopp, vp; Peg Mirenda, assistant vp; Lynn Bletsh, Shawn Benson, claims managers; Cori Guagenti, sales.

Alden Associates Inc.

1525 Hamilton Ave., Waterbury, Conn. 06706; 203-754-3333; fax: 203-597-1272

Revenues

Total	$900,000
Claims administration	64%
Other services	36%
Includes: stop-loss insurance	
Claims revenue	$575,000

Claims business by type

Disability	8%
Flex compensation	8%
Health insurance	84%
Employees covered	4,000
Dependents covered	7,000

Claims business by volume

Administration claims paid	$15,600,000

Clients

Administration	76

Staff

Total	12
Claims services	8

Claims services since: 1991.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Harold A. Meyer Jr., president; Christopher W. Smith, treasurer; Margaret L. Welby, vp.
Contact: Harold A. Meyer Jr.

Allied Benefit Systems Inc.

222 S. Riverside Plaza, Suite 1500, Chicago, Ill. 60606; 312-906-8080; fax: 312-906-8443

Revenues

Total	$3,000,000
Claims administration	80%
Claims adjusting	5%
Claims auditing	5%
Other services	10%
Claims revenue	$2,500,000

Claims business by type

Flex compensation	8%
Health insurance	92%

Claims business by volume

Administration claims paid	$80,000,000

Clients

Administration	140

Staff

Total	50
Claims services	40

Claims services since: 1980.
Service area: Nationwide.
Membership: SPBA, NAEBA.
Officers: Laurence Wilneff, president; Ben D. Schenker, executive vp; Mitchell Wilneff, corporate counsel; Paulette Vission, vp-operations; Rob Valerious, assistant vp-marketing.
Contact: Ben D. Schenker.

Amalgamated Life Insurance Co./Alicare

770 Broadway, New York, N.Y. 10003; 212-473-5700

Revenues

Total	$43,000,000
Claims administration	77%
Other services	23%
Claims revenue	$34,000,000

Claims business by type

Disability	2%
Health insurance	55%
Employees covered	200,000
Dependents covered	400,000
Life	2%
Pensions	41%

Claims business by volume

Administration claims paid	$200,000,000

Clients

Administration	66

Staff

Total	450

Claims services since: 1987.
Service area: Nationwide.
Branch offices: Administrative offices in Salem, N.H.
Membership: IFEBP.
Officers: Harvey Sigelbaum, president; Ronald Minikes, Richard Burker, executive vps; Ira Schwartz, Arthur Kurek, Rick Koven, senior vps.
Contact: Sandra M. Reisman, sales executive.

American Administrative Group Inc.

1515 Woodfield Road, Fifth Floor, Schaumburg, Ill. 60173; 708-619-9200; fax: 708-619-9216

Revenues

Claims administration	20%
Other services	80%
Includes: fully insured individual and small group health plans	

Claims business by type

Disability	10%
Health insurance	90%

Claims business by volume

Administration claims paid	$25,000,000

Clients

Administration	714

Staff

Total	42
Claims services	12

Service area: Nationwide.
Branch offices: Sales office in Chicago.
Membership: SIIA.
Officers: Michael P. Bryan, president; T. Lance Murdock, vp/secretary.
Contact: Michael P. Bryan.

American Benefit Corp.

401 11th St., Suite 500, Huntington, W.Va. 25701; 304-525-0331; fax: 304-529-2434

Revenues

Total*	$2,400,405
Claims administration	55%
Other services	45%
Includes: pension, actuarial, consulting, fully insured claims	
Claims revenue*	$1,320,223

Claims business by type

Disability	5%
Health insurance	95%
Employees covered	55,000
Dependents covered	120,000

Claims business by volume

Administration claims paid	$47,754,083

Clients

Administration	45
Adjusting	47

Staff

Total	72
Claims services	34

** Revenue figures reflect a 10-month period.*

Claims services since: 1948.
Service area: Nationwide.
Branch offices: Sales offices in Cumberland, Md.; Metairie, La.
Membership: SPBA, IFEBP.
Officers: Richard L. Wilson, president; Matthew W. Carlton, executive vp; Kenneth L. Joos, senior vp; B. Diane Mastin, secretary/treasurer.

American Claims Evaluation Inc.

1 Jericho Plaza, Jericho, N.Y. 11753; 516-938-8000; fax: 516-938-0405

Revenues

Total	$7,500,000
Claims auditing	30%
Other services	70%
Includes: auditing for insurers, TPAs, union health and welfare funds and HMOs	

Claims business by type

Automobile	1%
Health insurance	90%
Workers compensation	9%

Claims business by volume

Auditing projects conducted	4,500

Staff

Total	80

Claims services since: 1982.
Service area: Nationwide.
Branch offices: Administrative offices in Dallas; Spokane, Wash. Sales offices in Atlanta; Chicago; Dallas; Detroit; Los Angeles; Providence, R.I.; San Francisco.
Claims subsidiaries: American Rehabilitation Services Inc., RPM Rehabilita-

Continued on next page

Guide to using directories of claims specialists

The annual directories of claims specialists list companies that generate at least 50% or $500,000 of their gross revenues from handling claims for self-insured clients.

The directories are published as an editorial service; there is no charge for companies to be included.

Companies are organized into three categories according to type of claims handled. The categories are: employee benefits/group insurance only; property/casualty (including workers comp) only; and both employee benefits/group insurance and property/casualty claims.

Organizations are asked to use the following definitions when reporting information: claims administration includes overseeing control of claims files, directing adjusters and paying claims; adjusting includes investigating claims and making recommendations to the claims administrator but does not include paying claims; claims auditing includes reviewing the overall integrity of the claims-file operation, verifying the accuracy and direction of claims payments and recommending solutions to claims administration problems.

Listings begin with the company name, address, phone and fax number. Following is financial/statistical information. This section includes: total 1993 gross **revenues** along with the percent attributed to claims administration, adjusting and auditing for self-insured clients. The percent of revenue derived from other services is also listed. Next is the actual dollar amount of revenue generated by claims services for self-insured clients in 1993.

Other information in this section includes: **Claims business by type,** a percent breakout of total claims dollars handled by type. If health plan administration is a large percent of the business, the number of employees and dependents covered is listed. **Claims business by volume** lists the dollar amount of claims paid and number of auditing projects conducted in 1993. **Clients** includes the number of administration, adjusting and auditing clients in 1993. **Staff** data is given in full-time equivalents and contains the number of total employees and employees assigned to self-insured claims services.

The text section of each listing includes the year **claims services began; parent** company, if applicable; **service area; branch offices,** both administrative and sales; **claims subsidiaries;** SPBA, SIIA, NAEBA or IFEBP **memberships; officers;** and a **contact** for readers seeking additional information.

Information reported is based on each company's responses to a *Business Insurance* questionnaire. Every effort is made to publish complete and accurate listings, but *BI* is unable to verify all information.

The full names of professional organizations abbreviated in the listings are: IFEBP, International Foundation of Employee Benefit Plans; NAEBA, National Assn. of Employee Benefit Administrators; SIIA, Self-Insurance Institute of America; SPBA, Society of Professional Benefit Administrators.

Continued from previous page

tion Services Inc.

Officers: Gary Gelman, CEO/president; Gary J. Knauer, CFO/treasurer; Robert G. Dubester, vp-operations; Lawrence Curcio, national sales manager.

American Health Alternatives Inc.

925 Baltimore Pike, Corcordville, Pa. 19331; 215-358-5650; fax: 215-358-5238

Revenues

Total	$2,544,000
Claims administration	95%
Other services	5%
Includes: managed care services	
Claims revenue	$2,508,000

Claims business by type

Flex compensation	1%
Health insurance	99%
Employees covered	22,672
Dependents covered	25,528

Claims business by volume

Administration claims paid	$46,000,000

Clients

Administration	10

Staff

Total	42
Claims services	42

Claims services since: 1984.
Parent: Independence Blue Cross.
Service area: Delaware, Maryland, New Jersey, Pennsylvania.
Membership: SIIA.
Officers: Al Meyer, president; James J. Thomas, senior vp/CFO; Charles Clausen, vp-marketing; Mary McDonald, vp-health services.
Contact: Charles Clausen.

American Heritage Life

76 S. Laura St., Jacksonville, Fla. 32202; 904-359-2696; fax: 905-359-2695

Revenues

Total	NA
Claims administration	80%
Other services	20%
Claims revenue	$25,000,000

Claims business by type

Health insurance	100%
Employees covered	238,000
Dependents covered	579,000

Claims business by volume

Administration claims paid	$205,000,000

Clients

Administration	244

Staff

Total	178
Claims services	105

Claims services since: 1956.
Service area: Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, Texas.
Branch offices: Sales offices in Atlanta; Charlotte, N.C.; Jacksonville and Orlando, Fla.
Officers: James H. Baum, senior vp; K. Pearl Harrison, Robert J. Young, vps; John D. Cox, Sharon A. Nevins, assistant vps.

American Insurance Administrators

3415 S. Sepulveda Blvd., Suite 200, Los Angeles, Calif. 90034; 310-390-7900; fax: 310-398-6105

Revenues

Claims administration	60%
Claims adjusting	2%
Claims auditing	2%
Other services	36%
Includes: Section 125 flexible spending plans, county medical indigents programs	

Claims business by type

Flex compensation	10%
Health insurance	90%

Claims business by volume

Administration claims paid	$750,000

Clients

Administration	15

Staff

Total	42
Claims services	26

Claims services since: 1977.
Parent: Management Applied Programming Inc.
Service area: Nationwide.
Branch offices: Administrative and sales office in Orange, Calif.
Membership: SPBA, IFEBP.
Officers: F.N. Dastlir, president; Herbert Schaffer, executive vp; P.H. Dalal, CFO; H.P. Dalal, vp; R. Trivedi, B. Rabinovitz, J. Hoskins, assistant vps.

American Medical & Life Insurance Co.

35 Broadway, Hicksville, N.Y. 11801; 516-822-8700; fax: 516-931-1010

Revenues

Total	$30,000,000
Claims administration	8.3%
Other services	91.7%
Includes: life, accident and health insurance	
Claims revenue	$2,500,000

Claims business by type

Disability	10%
Health insurance	85%
Employees covered	300,000
Dependents covered	700,000
Life	5%

Claims business by volume

Administration claims paid	$20,000,000

Clients

Administration	67

Staff

Total	104
Claims services	45

Claims services since: 1964.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Deerfield, Fla.; Honolulu. Additional sales offices in New York.
Claims subsidiaries: American Dental Centers.
Membership: IFEBP.
Officers: Jules V. Lane, chairman/CEO; Peter Norton, senior vp; Norman Beckoff, CFO; Larry Schwartz, vp; Lorraine Classi, COO.

American SelfCare Corp. Inc.

233 12th St., Columbus, Ga. 31901; 706-324-1170; fax: 706-323-8174

Revenues

Total	$2,600,000
Claims administration	97%
Other services	3%
Claims revenue	$2,500,000

Claims business by type

Health insurance	100%
Employees covered	32,000
Dependents covered	90,000

Claims business by volume

Administration claims paid	$137,000,000

Clients

Administration	61

Staff

Total	74
Claims services	68

Claims services since: 1957.
Parent: American National Services Inc.
Service area: Midwest and Southwest.
Branch offices: Administrative offices in Glen Ellyn, Ill.
Membership: SPBA, SIIA.
Officers: Leonard Jagoda, president; Allen Holladay, Ann Safford, vps; Kathy Warner, controller; Bob Maxwell, Howard Huncke, sales.
Contact: Bob Maxwell.

Arizona Preferred Provider

6464 E. Grant Road, Tucson, Ariz. 85715; 602-298-5297; fax: 602-296-7948

Revenues

Claims administration	90%
Claims auditing	10%

Claims business by type

Health insurance	100%
Employees covered	10,000
Dependents covered	6,000

Claims business by volume

Administration claims paid	$4,000,000
Auditing projects conducted	4

Clients

Administration	12

Staff

Total	7

Claims services since: 1980.
Service area: Southwest.
Membership: SIIA.
Officers: Dwight W. Babcock, president; Cynthia L. Stewart, executive director.
Contact: Cynthia Stewart.

Associated Health Plans Inc.

3616 S. I-10 Service Road, P.O. Box 8570, Metairie, La. 70011-8570; 504-840-9916; fax: 504-840-9924

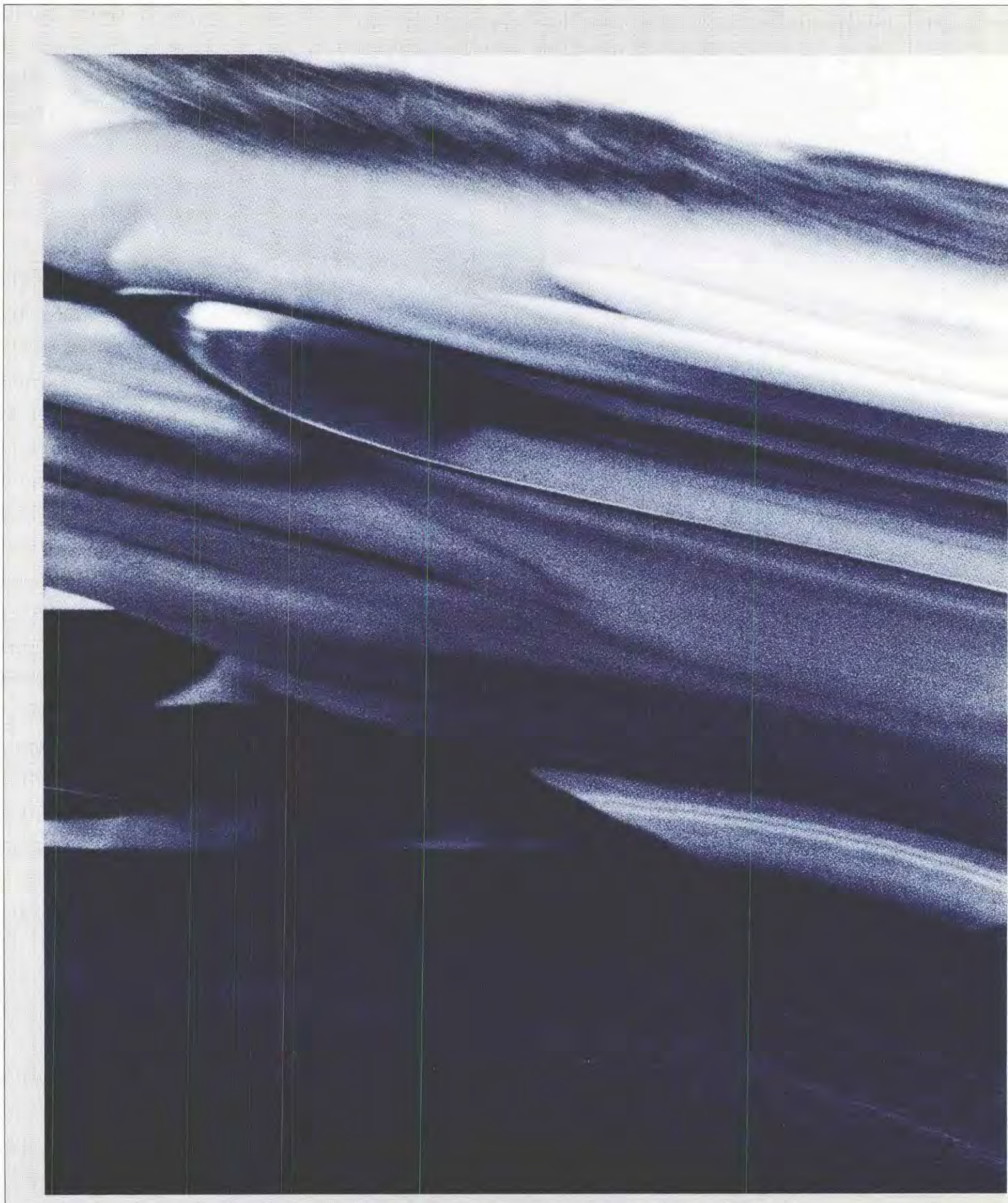
Revenues

Total	$5,000,000
Claims administration	90%
Other services	10%

Claims business by type

Health insurance	100%

Continued on next page



Continued from previous page

Claims business by volume

Administration claims paid $80,000,000

Clients

Administration 187

Staff

Total 113
Claims services 113

Claims services since: 1978.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA.
Officers: Arthur J. Blanchat, CEO; Vincent J. Varisco Jr., president; Pamela Chauff, executive vp.

Associated Plan Administrators

4133 Whitney Ave., Hamden, Conn. 06518; 203-287-1272; fax: 203-288-9428

Revenues

Total $5,000,000
Claims administration 100%

Claims business by type

Health insurance 100%
Employees covered 8,000

Claims business by volume

Administration claims paid $8,500,000

Clients

Administration 93

Staff

Total 28
Claims services 25

Claims services since: 1982.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA.
Officers: Fred R. Brown, president; Mike Zipp, vp.
Contact: Fred R. Brown.

Assured Benefits Administrators

4100 Rio Bravo, Suite 211, El Paso, Texas 79902; 915-532-2100; fax: 915-532-1772

Revenues

Claims administration 95%
Other services 5%
Includes: PPO services

Claims business by type

Disability 1%
Flex compensation 4%
Health insurance 95%

Claims business by volume

Administration claims paid $10,000,000

Clients

Administration 60

Staff

Total 18
Claims services 16

Claims services since: 1986.
Service area: Nationwide.
Branch offices: Sales offices in Dallas and Houston.
Membership: SPBA.
Officers: Joseph Halow, president; Lorri Halow, executive vp; Eddie Garcia, vp-administration.
Contact: Joseph Halow.

B

BPS Inc.

201 Henry Place, Spartanburg, S.C. 29306; 803-585-4338; fax: 803-573-7709

Revenues

Claims administration 65%
Other services 35%
Includes: fully insured billing claims administration and adjudication

Claims business by type

Disability 2%
Health insurance 98%
Employees covered 18,684
Dependents covered 11,210

Claims business by volume

Administration claims paid $36,180,000

Clients

Administration 42

Staff

Total 25
Claims services 22

Claims services since: 1985.
Service area: Alabama, Georgia, North Carolina, South Carolina, Virginia.
Branch offices: Sales offices in Charlotte, N.C.
Membership: SPBA.
Officers: Robert J. Dickey, president; James E. Williams, vp/COO; Susan S. Dickey, corporate secretary/vp-sales.
Contact: James E. Williams.

Beckwith-Hightower & Renberg Insurance Services Inc.

1617 St. Marks Plaza, Suite C, Stockton, Calif. 95207; 209-478-6540; fax: 209-478-3430

Revenues

Claims administration 98%
Other services 2%
Includes: Section 125 administration

Claims business by type

Flex compensation 2%
Health insurance 98%

Claims business by volume

Administration claims paid $35,000,000

Staff

Total 25
Claims services 24

Claims services since: 1971.
Service area: Nationwide.
Branch offices: Sales offices in Fresno, Calif.
Membership: SIIA.
Officers: Jon S. Renberg, president/CEO; Julie Tozi, vp-operations.
Contact: Elaine Smith.

Benefit Administration Corp.

770 E. Shaw, Suite 200, Fresno, Calif. 93710; 209-225-3030; fax: 209-225-6837

Revenues

Total $1,900,000
Claims administration 100%
Claims revenue $1,900,000

Claims business by type

Flex compensation 5%
Health insurance 95%
Employees covered 24,000
Dependents covered 58,000

Claims business by volume

Administration claims paid $28,000,000

Clients

Administration 46

Staff

Total 50
Claims services 50

Claims services since: 1953.
Service area: California, Nevada, Oregon.
Membership: SPBA, IFEBP.
Officers: Robert J. Cardinal, president; Mirth Lundal, executive vp; Cathy Rainaldi, David Morilla, Darlene Moore, vps.
Contact: Robert J. Cardinal.

Benefit Administrative Systems Ltd.

43 Orland Square Drive, Suite 303, Orland Park, Ill. 60462; 708-460-2100; fax: 708-460-0110

Revenues

Claims administration 60%
Other services 40%

Claims business by type

Flex compensation 5%
Health insurance 95%
Employees covered 34,300
Dependents covered 89,997

Clients

Administration 160
Adjusting 160

Staff

Total 39

Claims services since: 1983.
Service area: Nationwide.
Membership: SPBA.
Officers: Michael R. Elliott, CEO; M.W. Joseph, president; Joseph A. Toscano, vp-operations; Stephen N. Elliott, controller.
Contact: M.W. Joseph, president.

Benefit Administrators of America Inc.

207 Crocker, Suite 100, P.O. Box 9120, Des Moines, Iowa 50309-9120; 515-243-3210; fax: 515-282-0719

Revenues

Total $8,700,000
Claims administration 94%
Claims adjusting 1%
Claims auditing 1%
Other services 4%
Includes: fully insured claims payment, utilization review, preferred provider organizations

Claims business by type

Disability 1%
Flex compensation 1%
Health insurance 98%
Employees covered 80,000
Dependents covered 216,000

Continued on next page



Continued from previous page

Claims business by volume

Administration claims paid $171,000,000

Clients

Administration 106

Staff

Total 160
Claims services 155

Claims services since: 1982.
Parent: Health Ventures Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Sioux City, Iowa. Sales offices in Chippewa Falls, Wis.
Membership: SIIA.
Officers: Clifford D. Gold, COO; Paula Ryan, director-marketing; Steven Reagan, director-client services; Carla Bates, manager-financial services; Paul Wanderscheid, manager-information services.
Contact: Clifford D. Gold.

Benefit Administrators of New England Inc.

200 Ledgewood Place, 2nd Floor, Rockland, Mass. 02370; 800-909-2263; fax: 617-871-6860

Revenues

Claims administration 100%

Claims business by type

Disability 10%
Health insurance 90%
Employees covered 20,000
Dependents covered 46,000

Claims business by volume

Administration claims paid $55,000,000

Staff

Total 75
Claims services 75

Claims services since: 1988.
Service area: Arizona, California, Colorado, Connecticut, Florida, Georgia, Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Virginia, Washington.
Membership: SPBA, SIIA, NAEBA.
Officers: Neil Guerin, CFO; Jack Keith, COO; Dave Gottler, CFO.
Contact: Neil Guerin.

Benefit Consultant Services

3120 Princeton Pike, Lawrenceville, N.J. 08648; 609-895-1616; fax: 609-895-1511

Revenues

Claims administration* 65%
Other services* 35%

Claims business by type

Disability 5%
Health insurance 95%
Employees covered 3,684

Claims business by volume

Administration claims paid* $12,900,000

Clients

Administration 24

Staff

Total 11

** 1993 estimates.*

Claims services since: 1961.
Service area: Nationwide.
Branch offices: Administrative offices in Norfolk, Va. Sales offices in: Norfolk and Richmond, Va.; Wallingford, Conn.
Membership: SPBA.
Officers: Donald F. Smith, CEO; William B. Stephenson, president; R.M. Neumann, executive vp; Ronald G. Keefe, vp; F. John Herrmann, assistant vp.
Contact: R.M. Neumann.

Benefit Consultants Inc.

14500 S. Outer Forty Road, Suite 502, Chesterfield, Mo. 63017; 314-434-4620

Revenues

Claims administration 37%
Claims adjusting 7%
Claims auditing 16%
Other services 40%
Includes: consulting, brokering insurance, communications

Claims business by type

Health insurance 100%
Employees covered 16,000
Dependents covered 33,000

Claims business by volume

Administration claims paid $7,000,000

Clients

Administration 9
Adjusting 8
Auditing 7

Staff

Total 9
Claims services 6

Claims services since: 1982.
Service area: Nationwide.
Branch offices: Sales offices in St. Louis.
Membership: IFEBP.
Officers: Alan N. Lemley, president.

Benefit Plan Administrators Inc.

1871 Folsom, Boulder, Colo. 80302; 303-442-1000; fax: 303-442-1505

Revenues

Total $1,700,000
Claims administration 94%
Other 6%
Claims revenue $1,608,000

Claims business by type

Flex compensation 3%
Health insurance 97%
Employees covered 11,456

Claims business by volume

Administration claims paid $29,000,000

Clients

Administration 42

Staff

Total 36.5

Claims services since: 1985.
Parent: Admar Corp.
Service area: Nationwide.
Membership: SPBA.
Officers: Mark Hofgard, president; Virginia Pascual, chief administrative officer; Ed Evans, CEO.
Contact: Paulette Porter, vp-marketing.

Benefit Plan Services Inc.

P.O. Box 2793, High Point, N.C. 27261; 910-889-2003; fax: 910-841-2556

Revenues

Total $250,000
Claims administration 100%
Claims revenue $250,000

Claims business by type

Disability 2%
Health insurance 98%
Employees covered 9,300
Dependents covered 2,900

Claims business by volume

Administration claims paid $4,500,000

Clients

Administration 12

Staff

Total 4
Claims services 4

Claims services since: 1977.
Service area: North Carolina.
Membership: SPBA.
Officers: J. Larry Peters, president; Alan O. Peters, vp.
Contact: J. Larry Peters.

Benefit Systems Inc.

9102 N. Meridian St., Suite 200, Indianapolis, Ind. 46260; 317-573-2004; fax: 317-573-2016

Revenues

Total $2,400,000
Claims administration 100%
Claims revenue $2,400,000

Claims business by type

Flex compensation 5%
Health insurance 95%
Employees covered 32,000
Dependents covered 92,000

Claims business by volume

Administration claims paid $66,321,000

Clients

Administration 142

Staff

Total 43

Claims services since: 1982.
Service area: Indiana, Michigan, Ohio.
Membership: SIIA, NAEBA.
Officers: Ronald C. Sanders, president; Michael J. Renner, executive vp; Pamela J. Jenkins, CFO.
Contact: Michael J. Renner.

Benefit Systems & Services Inc.

760 Pasquinelli Drive, Suite 320, Westmont, Ill. 60559-5555; 708-789-2082; fax: 708-789-2093

Revenues

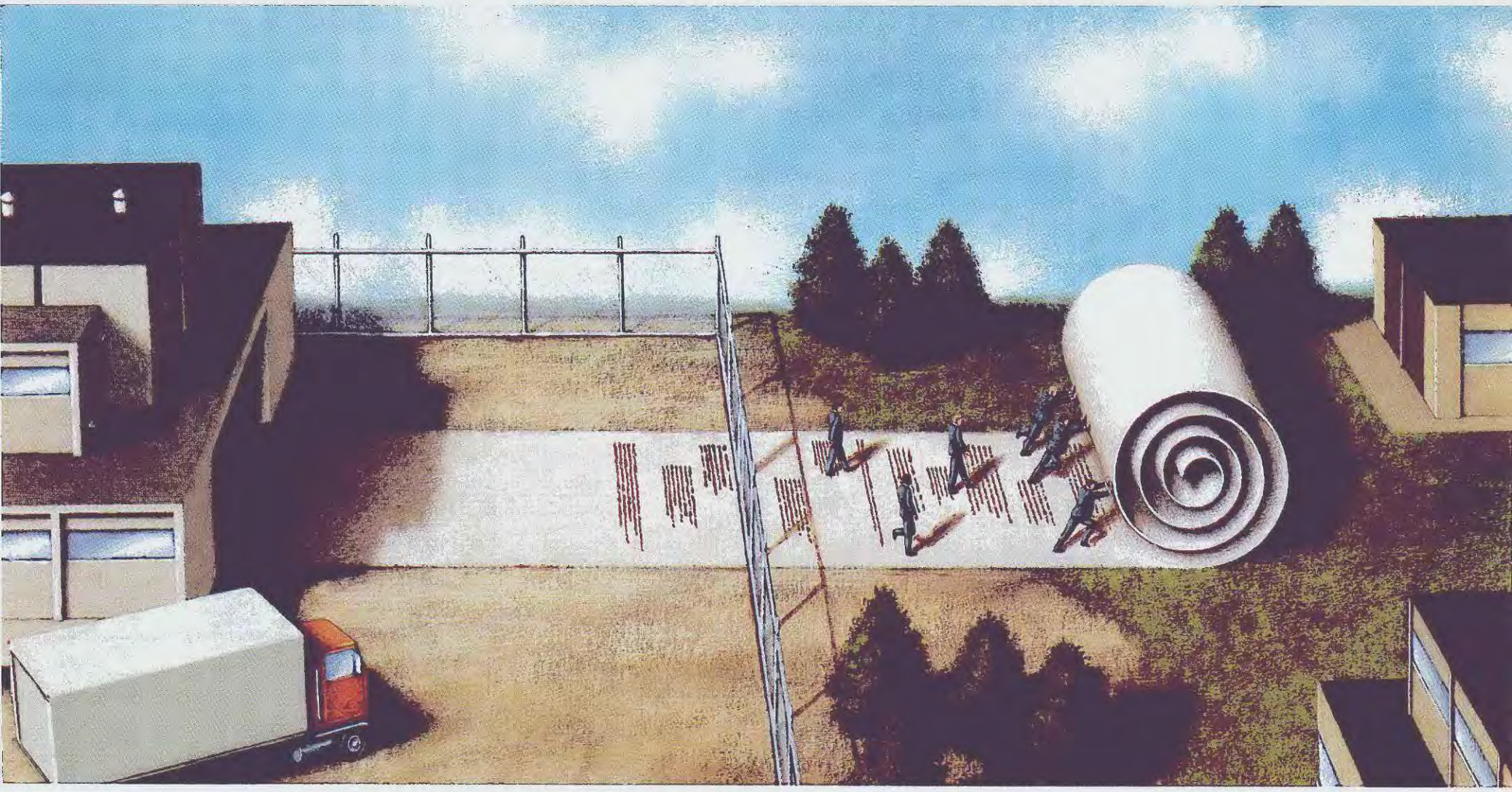
Total $4,450,000
Claims administration 50%
Claims adjusting 2%
Other services 48%
Includes: benefit administration software licensing and related computer equipment
Claims revenue $2,314,000

Continued on page 26



INTRODUCING

The most comprehensive pollution coverage that doesn't stop at your front gate.



New Pollution and Remediation Legal Liability from ECS Underwriting and Reliance National.*
Because pollutants and their resulting liabilities cross property lines, so should pollution coverage. And that's exactly what the new Pollution and Remediation Legal Liability program does. This program combines the broadest on-site and off-site pollution liability coverages into one revolutionary new policy, so companies are covered – whether environmental damage affects their property, their neighbors, or both.

And Pollution and Remediation Legal Liability is available *only* through ECS Underwriting and Reliance National. With this comprehensive coverage, there's no time wasted drawing the line between one policy and another ... no money wasted in overlapping coverage ... and virtually no risk of a claim slipping between policy gaps. It's all covered under one program. And it can be accessed with a single phone call.

Call ECS Underwriting at 1-800-ECS-1414 to learn more about Pollution and Remediation Legal Liability. The broadest combination of on-site and off-site pollution liability coverage available.

ECS Underwriting, Inc.
An ECS Company

THE CHOICE
Reliance National

Environmental insurance protection for Worldwide industry.

Offering: *Pollution and Remediation Legal Liability.* ***Protecting:*** *Banks and Financial Institutions/Commercial and Residential Developers/Light Industry and Manufacturing/Warehousing/Hospitals/Chemical Distributors/Fuel Storage Facilities/Wastewater Treatment Facilities/and others.*

520 Eagleview Blvd., P.O. Box 636, Exton, PA 19341. Or call (800) ECS-1414 (In PA (610) 458-0570), FAX (610) 458-8667.

These programs are underwritten by Planet Insurance Company, Philadelphia, PA, a member of the Reliance Insurance Group. 94-11-PRL-2/7 © 1993
**Not available in all states at this time.*

Continued from page 24

Claims business by type

Disability	2%
Flex compensation	5%
Health insurance	93%
Employees covered	24,500
Dependents covered	35,500

Claims business by volume

Administration claims paid	$78,400

Clients

Administration	60
Adjusting	1

Staff

Total	44
Claims services	36

Claims services since: 1986.
Service area: Nationwide.
Membership: SPBA, SIIA, IFEBP.
Officers: David H. Lloyd, president; Carmen J. Morreale, executive vp; Roy Wapiennik, vp; Jacqueline D. Wenzel, Pamela A. Pratt, assistant vps.
Contact: David H. Lloyd.

Berkely Association Services Ltd.

100 Garden City Plaza, Garden City, N.Y. 11530; 516-294-0424; fax: 516-877-2218

Revenues

Total	$960,000
Claims administration	25%
Claims adjusting	10%
Other services	65%
Includes: billing and collection of benefit contributions owed	
Claims revenue	$295,000

Claims business by type

Disability	5%
Health insurance	95%
Employees covered	27,000
Dependents covered	15,000

Clients

Administration	22

Staff

Total	30
Claims services	11

Claims services since: 1988.
Service area: Nationwide.
Membership: SPBA.
Officers: Timothy T. Crowley, William Kavan, Mark Kottler, Ann Marie D'Alessandro.
Contact: Timothy T. Crowley.

Berwanger Overmyer Associates Employee Benefits

2245 Northbank Drive, Columbus, Ohio 43220; 614-457-7000; fax: 614-837-4557

Revenues

Claims administration	90%
Other services	10%

Claims business by type

Flex compensation	2%
Health insurance	98%
Employees covered	20,000
Dependents covered	15,000

Claims business by volume

Administration claims paid	$15,000,000

Clients

Administration	14

Staff

Total	18
Claims services	16

Claims services since: 1989.
Service area: Nationwide.
Membership: SPBA.
Officers: Edward Overmyer, president; Joseph Berwanger, Richard Moore, executive vps; Jerry Esselstein, COO/treasurer; Milo Rouse, vp.
Contact: Milo Rouse.

Blair Mill Administrators Inc.

720 Blair Mill Road, Horsham, Pa. 19044; 215-830-0290; fax: 215-657-3436

Revenues

Total	$3,500,000
Claims administration	95%
Other services	5%
Includes: billing, COBRA administration, utilization review, flexible spending account administration, workers comp medical bill pricing	
Claims revenue	$3,400,000

Claims business by type

Health insurance	95%
Employees covered	44,000
Dependents covered	51,000
Workers compensation	5%

Claims business by volume

Administration claims paid	$50,000,000

Clients

Administration	70

Staff

Total	170

Claims services since: 1988.
Service area: Nationwide.
Membership: SIIA.
Officers: George W. Gannon, president; Charles A. Brower, vp-marketing; George W. Grimes, vp-controller; Daniel H. Graf, vp-claims/managed care.
Contact: Kenneth Cavara, sales director.

Boon-Chapman Benefit Administrators Inc.

P.O. Box 9201, Austin, Texas 78766; 512-454-2681; fax: 512-459-1552

Revenues

Claims administration	60%
Other services	40%
Includes: fully insured and managed care claims administration	

Claims business by type

Health insurance	100%
Employees covered	23,000

Clients

Administration	3

Staff

Total	106
Claims services	60

Claims services since: 1961.
Service area: Arizona, Arkansas, Louisiana, New Mexico, Oklahoma, Texas.
Branch offices: Sales offices in Dallas and Houston.
Membership: SPBA, SIIA, NAEBA.
Officers: T.J. Chapman, president; Kevin Chapman, vp; Betty Chapman, executive vp; Robert J. Calvisi, Marlene Sharp, senior vps.
Contact: Robert J. Calvisi.

Brokerage Services Inc.

11200 Lomas Blvd. N.E., Albuquerque, N.M. 87112; 505-292-5533; fax: 505-293-7725

Revenues

Total	$3,512,935
Claims administration	31%
Other services	69%
Includes: fully insured claims services, Section 125 services	
Claims revenue	$1,068,662

Claims business by type

Health insurance	100%
Employees covered	6,697
Dependents covered	4,755

Claims business by volume

Administration claims paid	$11,492,925

Clients

Administration	46

Staff

Total	101
Claims services	41

Claims services since: 1979.
Parent: Group Brokerage Inc./Brokerage Services Inc.
Service area: Alabama, Arizona, California, Colorado, New Mexico, Texas.
Branch offices: Sales offices in Denver.
Membership: SPBA, SIIA.
Officers: Nancy C. Fisher, president; James L. Healy, executive vp; James O. Fisher, secretary.
Contact: James L. Healy.

Brookfield Inc.

5440 N. Cumberland Ave., Suite 250, Chicago, Ill. 60656; 312-714-8750; fax: 312-714-8730

Revenues

Claims administration	80%
Claims adjusting	2%
Other services	18%
Includes: managed care services, including utilization management and PPOs; stop-loss coverage, administration of COBRA, Section 125, short- and long-term disability	

Claims business by type

Disability	4%
Flex compensation	6%
Health insurance	90%
Employees covered	154,457
Dependents covered	231,695

Claims business by volume

Administration claims paid	$260,000,000

Clients

Administration	120

Staff

Total	273
Claims services	197

Claims services since: 1971.
Parent: Aon Corp.
Service area: Nationwide.
Claims subsidiaries: National Benefits Corp., Horsham, Pa., and Kansas City, Mo.
Membership: SPBA, NAEBA.

Continued on page 28

Great Companies Always Look At The World Differently.

That's because great companies view the world in a positive way, and they've learned that their customers appreciate it. It's not the problem that fascinates them; it's the solution. It's not the sale; it's the service. It's not the quantity; it's the quality.

And that's the way we are. From the founding of the Stop Loss Insurance industry (we are now its largest provider), to our solid commitment to bringing new products and ever-better services to our clients, we prove dedication to quality every day.

Yes, our view may be somewhat different from what you're used to, but you'll feel right at home before you know it. And, yes, the view from our Little Harbor offices is inspiring, but the prospect of helping you solve some problems is our true inspiration.

Call us today for a prompt, professional and cost efficient estimate. Maybe you'll view things a little differently too, after that.



The view from our offices at 50 Doaks Lane on an average autumn morning

R E M

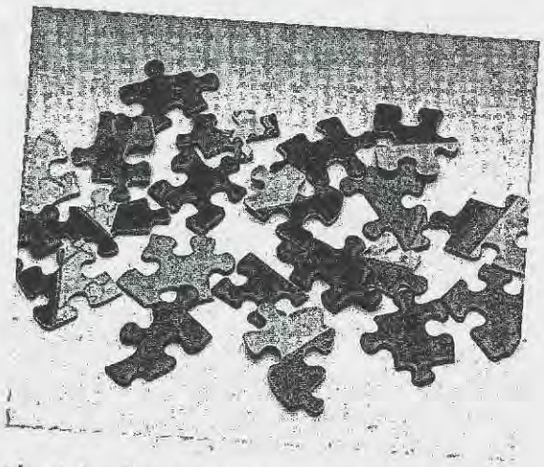
R.E. Moulton, Inc.

For The Best In The Business.

Fifty Doaks Lane • Marblehead, Massachusetts 01945

Corporate Headquarters: TEL (617) 631-1325 • FAX (617) 631-2165 / Underwriting: TEL (617) 639-4055 • FAX (617) 631-2119

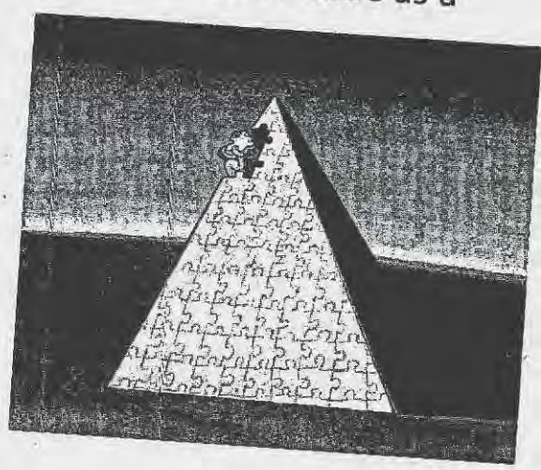
You See a Puzzle



Time after time, our industry runs to extremes. Pricing swings high, then low. Capacity shortages come and go. Risk classes trend up and down. And contracts are broadened beyond agreements printed on paper.

Make no mistake, extreme times call for stable reinsurance solutions. Solutions that build long-lasting relationships, not just short-term business deals. Solutions that enhance our clients' results, as well as our own. And improve industry standards, too.

At SCOR, our collaborative approach produces results. It has made us a leading reinsurer. With a global reach and universal experience. With a secure, diversified book of business. And a level of financial strength and stability that earns us high marks from clients and rating agencies alike.



To discover this type of performance, get to know SCOR and what we can do for you. SCOR. We'll puzzle out a solution with you.

We See a Solution

SCOR®

World Headquarters: Paris 33 1 46 98 70 00
Branches and Subsidiaries: New York 1-212-978-8200 Chicago 1-312-346-2189
Dallas 1-214-401-1066 Hartford 1-203-525-2300 Montreal 1-514-849-8107
Toronto 1-416-869-3670 Mexico 525 660 0382 Bogota 571 610 04 09 London 44 71 621 11 10 Milan 39 2 655 20 06 Hanover 49 511 28 01 01 Koln 49 221 52 20 26
Madrid 34 1 308 52 37 Tokyo 813 3597 0151 Hong Kong 852 864 35 35 Singapore 65 225 36 66 Sydney 612 247 48 77 Ivory Coast 225 21 12 34

Continued from page 26

Officers: James C. Boon II, president/CEO; Olga Titos, executive vp; Jon Helwig, vp-information systems.

Contact: Michael Vasil, director-marketing/client services.

C

CC Systems Corp.

1200 Yankee Doodle Road, P.O. Box 64668, St. Paul, Minn. 55164; 612-456-5950; fax: 612-663-2159

Revenues	
Claims administration	100%
Claims business by type	
Health insurance	100%
Employees covered	125,800
Dependents covered	195,000
Clients*	
Administration	71

** Figure includes nine remote accounts that lease services*

Claims services since: 1982.
Parent: Blue Cross & Blue Shield of Minnesota.
Service area: Nationwide.
Membership: SPBA.
Officers: Mike Walsh, president; Grayce Peters, chair; Robert Milis, secretary; Darrold Burris, vp-operations.
Contact: Darrold Burris.

CCI Administrators Inc.

2751 Tuller Parkway, Dublin, Ohio 43017; 614-764-7600; fax: 614-764-7629

Revenues	
Total	NA
Claims administration	100%
Claims revenue	$650,000
Claims business by type	
Health insurance	100%
Employees covered	9,100
Dependents covered	21,500
Claims business by volume	
Administration claims paid	$17,823,467
Clients	
Administration	39
Staff	
Total	12
Claims services	12

Claims services since: 1981.
Service area: Nationwide.
Branch offices: Sales offices in Cincinnati, Cleveland and Toledo, Ohio.
Membership: SIIA.
Officers: R. Ted Miller, president; R.T. Alkire, vp; Thomas O'Reilly, secretary/treasurer; Michael Winters, director-client services.
Contact: R. Ted Miller.

CENTRA Benefit Services

7803 Glenroy Road, Suite 300, Bloomington, Minn. 55439; 612-830-8155; fax: 612-830-8150

Revenues	
Total	$20,000,000
Claims administration	91.2%
Claims adjusting	4.3%
Claims auditing	4.5%
Claims business by type	
Disability	0.2%
Flex compensation	0.3%
Health insurance	99.5%
Employees covered	284,956
Dependents covered	297,044
Claims business by volume	
Administration claims paid	$408,000,000
Clients	
Administration	29
Staff	
Total	327
Claims services	285

Claims services since: 1980.
Parent: NJK Holding Corp.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Lynnwood, Wash.; Plano, Texas. Additional sales offices in Minneapolis.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Jon K. Lineweaver, president; Dan Erickson, treasurer; Nasser Kazeminy, secretary.
Contact: Jeff Hagerman, vp-sales/marketing.

Century Planner Ltd.

7777 Bonhomme, Clayton, Mo. 63105; 314-721-2452

Revenues	
Claims administration	80%
Other services	20%
Claims business by type	
Disability	5%
Flex compensation	5%
Health insurance	80%
Employees covered	14,000
Dependents covered	21,000
Other	10%
Claims business by volume	
Administration claims paid	$25,000,000
Clients	
Administration	49
Staff	
Total	23
Claims services	15

Claims services since: 1980.
Service area: Midwest.
Membership: SPBA.
Officers: Kenneth A. Thorp, president; Kathrine Bauer, vp-claims manager; John C. Pepin, vp-marketing.

Chandler & Associates Inc.

500 Lena Drive, Aurora, Ohio 44202; 216-562-5757; fax: 216-562-5171

Revenues	
Claims administration	100%
Claims business by type	
Health insurance	100%
Employees covered	10,200
Dependents covered	15,300
Claims business by volume	
Administration claims paid	$2,800,000
Clients	
Administration	60
Staff	
Total	33

Claims services since: 1961.
Service area: Nationwide.
Branch offices: Sales offices in Columbus, Ohio.
Membership: SPBA, SIIA.
Officers: Arthur W. Chandler, president; Mary C. Chandler, vp; Keith W. Kern, secretary/treasurer.
Contact: James K. Piper, director-marketing.

Claim Management Services

P.O. Box 10888, Green Bay, Wis. 54307-0888; 414-497-1589; fax: 414-497-9423

Revenues	
Claims administration	80%
Claims adjusting	5%
Claims auditing	5%
Other services	10%
Includes: health care coalition management, HMO administration, consulting and support services for TPAs	
Claims business by type	
Flex compensation	5%
Health insurance	93%
Other	2%
Includes: COBRA claims services	
Claims business by volume	
Administration claims paid	$147,000,000
Clients	
Administration	202
Staff	
Total	122
Claims services	109

Claims services since: 1978.
Parent: West Bend Mutual Insurance Co.
Service area: Nationwide.
Branch offices: Administrative offices in New York; West Bend, Wis. Sales offices in West Bend, Wis.
Membership: SPBA, SIIA.
Officers: John Dedrick, chairman; Thomas Casper, president; Thomas Murphy, vp; Marilyn Bortel, secretary/treasurer; Joan Rousseau, vp-operations.

Consolidated Benefit Services Inc.

1400 Lake Hearn Drive, Suite 300, Atlanta, Ga. 30319; 404-843-5566; fax: 404-843-5455

Revenues	
Total	$4,200,000
Claims administration	80%
Other services	20%
Includes: retirement services, 401(k), defined contribution and Section 125 plans	
Claims revenue	$3,400,000
Claims business by type	
Flex compensation	3%
Health insurance	80%
Employees covered	47,000
Dependents covered	104,000
Pensions	17%
Claims business by volume	
Administration claims paid	$112,000,000
Clients	
Administration	35
Staff	
Total	102
Claims services	86

Claims services since: 1959.
Service area: Alabama, Florida, Georgia, North Carolina, South Carolina.
Branch offices: Administrative offices in Birmingham, Ala.
Membership: SPBA, SIIA.
Officers: Troy E. Hardin Jr., president/CEO; Judy L. Heilman, vp/COO; Charles A. Hill, vp.
Contact: Dave Hare, director-marketing.

Co-Ordinated Benefit Plans Inc.

P.O. Box 20594, Tampa, Fla. 33622-0594; 800-753-1000; fax: 813-799-9093

Revenues	
Claims administration	50%
Other services	50%
Claims business by type	
Flex compensation	10%
Health insurance	90%
Staff	
Total	55
Claims services	7

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Sales offices in Dallas, Los Angeles.
Membership: SPBA.
Officers: William Tuomey, Rose Tuomey, Michael Tuomey.
Contact: William Tuomey or Michael Tuomey.

Thomas P. Corcoran, Consultant/Administrator

2354 Stanwell Drive, Concord, Calif. 94520; 510-798-2558; fax: 510-685-1556

Revenues	
Total	$1,250,000
Claims administration	50%
Other services	50%
Includes: fully insured claims administration	
Claims revenue	$425,000
Claims business by type	
Disability	5%
Health insurance	60%
Pensions	35%
Claims business by volume	
Administration claims paid	$6,200,000
Clients	
Administration	2
Staff	
Total	18
Claims services	5

Claims services since: 1963.
Membership: SPBA, IFEBP.
Officers: Thomas P. Corcoran, president; Lynn Monday, office manager; Gino Roth, claims manager.

Corporate Benefit Audits Inc.

800 Turnpike St., Suite 300, North Andover, Mass. 01845; 508-794-3900; fax: 508-682-6784

Revenues	
Claims auditing	100%
Claims business by type	
Health insurance	100%
Claims business by volume	
Auditing projects conducted	100
Clients	
Auditing	90
Staff	
Total	6
Claims services	6

Claims services since: 1991.
Service area: Nationwide.
Membership: SIIA.
Officers: Stephen Kurkul, president.

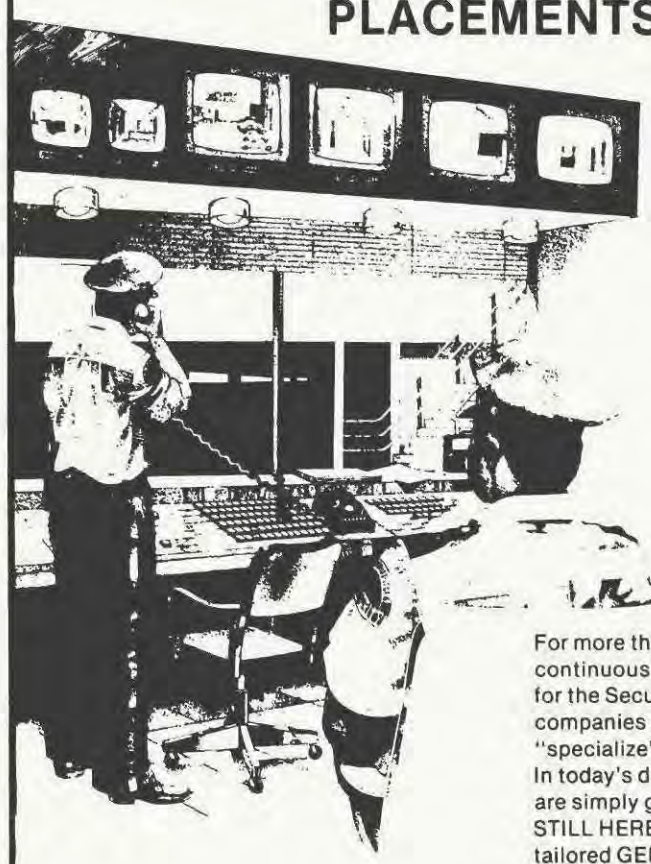
Corporate Benefit Services of America

10159 Wayzata Blvd., Minnetonka, Minn. 55305-1503; 612-546-0062

Revenues	
Total	$4,600,000
Claims administration	100%
Claims revenue	$4,600,000
Claims business by type	
Disability	4%
Flex compensation	5%
Health insurance	86%
Employees covered	33,000
Dependents covered	14,100
Life	5%
Claims business by volume	
Administration claims paid	$55,000,000

Continued on next page

A BRIEF MESSAGE ABOUT INSURANCE PLACEMENTS FOR



- **Security Guards,**
- **Patrol Services,**
- **Detective Agencies,**
- **Armored Car Service,**
- **Alarm Monitoring and**
- **Alarm Installation**

For more than a decade CoverX Corporation has continuously provided a stable insurance product for the Security Industry. During that time many companies and agencies professing to "specialize" in this industry have come and gone. In today's difficult insurance marketplace most are simply gone. COVERX CORPORATION IS STILL HERE, providing that industry with custom tailored GENERAL LIABILITY AND PROFESSIONAL LIABILITY.

If you have current or potential clients in the security industry whose long range interests lie in obtaining a quality insurance product in a stable market then you owe them a CoverX quotation.

For further information or applications call or write . . .

COVERX CORPORATION
P.O. Box 5096, Southfield, Michigan 48086
Telephone: (313) 358-4010
Facsimile: (313) 358-2459

Continued from previous page

Clients

Administration 315

Staff

Total 90
Claims services 70

Claims services since: 1975.
Service area: Midwest, South, Southeast and Southwest.
Membership: SPBA, SIIA.
Officers: Clifford M. Koltes, president/CEO; James V. McMahill, executive vp/chief marketing officer; Donald A. Waletzko, vp/CFO; J. Beryl Clifford, director.

Corporate Benefits Service Inc.

139 S. Tryon St., Charlotte, N.C. 28202; 704-373-0447; fax: 704-342-2777

Revenues

Total $3,000,000
Claims administration 100%
Claims revenue $3,000,000

Claims business by type

Disability 7%
Flex compensation 5%
Health insurance 83%
Employees covered 32,561
Dependents covered 57,619
Workers compensation 5%

Claims business by volume

Administration claims paid $80,000,000

Staff

Total 54
Claims services 48

Claims services since: 1947.
Service area: East.
Branch offices: Administrative offices in Greensboro, N.C.
Membership: SPBA.
Officers: Kenneth W. Harvey, president; Betty Graves, secretary/treasurer.

Corporate Health Administrators

980 Jolly Road, Blue Bell, Pa. 19422; 800-437-1630; fax: 215-283-6589

Revenues

Total $9,500,000
Claims administration 88%
Claims adjusting 12%
Claims revenue $9,500,000

Claims business by type

Health insurance 100%
Employees covered 70,000
Dependents covered 91,000

Claims business by volume

Administration claims paid* $190,000,000

Clients

Administration 106
Adjusting 12

Staff

Total 195
Claims services 195

** Estimated 1993 self-insured claims paid.*

Claims services since: 1988.
Parent: U.S. Healthcare Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Bismarck, N.D.; Pittsburgh. Sales offices in Boston; Fairfield, N.J.; Middletown, Conn.; Owings Mill, Md.; Pittsburgh; Uniondale, N.Y.
Membership: SPBA, SIIA.
Officers: Keith M. Kerman, president; Marshall Rozzi, vp; David F. Simon, secretary/director; Thomas A. Masci Jr., treasurer; Michael J. Cardillo, director.
Contact: Scott Murphy, vp-marketing.

Corporate Systems Administration Inc.

P.O. Box 4985, 4722 Lake Park Drive, Johnson City, Tenn. 37602-4985; 615-282-3420; fax: 615-282-2999

Revenues

Claims administration 80%
Other services 20%
Includes: fully insured claims administration

Claims business by type

Disability 5%
Flex compensation 10%
Health insurance 80%
Employees covered 12,500
Dependents covered 22,000
Life 5%

Claims business by volume

Administration claims paid $36,210,000

Clients

Administration 53

Staff

Total 23
Claims services 16

Claims services since: 1980.
Service area: South and East.
Membership: SPBA, SIIA, NAEBA.
Officers: Thomas H. Repass, president; David H. Grazier, vp-administration; Michael R. Miller, vp-marketing; Douglas M. Sizemore, secretary/treasurer.
Contact: Thomas H. Repass.

Cost Management Technologies Inc.

4435 Main, Suite 810, Kansas City, Mo. 64111; 816-531-6300 or 800-332-3539; fax: 816-531-3699

Revenues

Total $1,600,000
Claims administration 90%
Other services 10%
Includes: utilization review, fully insured claims administration, flexible benefit administration, managed care consulting

Claims business by type

Disability 3%
Flex compensation 15%
Health insurance 82%
Employees covered 9,300
Dependents covered 14,700

Claims business by volume

Administration claims paid $26,000,000

Clients

Administration 15

Staff

Total 32
Claims services 28

Claims services since: 1985.
Service area: Nationwide.
Officers: Patrick A. Thompson, president; John Laird, Paul Struxness, vps.
Contact: Wendy Peck.

CotterCare Managed Health Services

P.O. Box 602, Cary, Ill. 60013; 708-639-5068; fax: 708-639-6221

Revenues

Claims administration 80%
Other services 20%
Includes: utilization management, administration, marketing

Claims business by type

Health insurance 100%
Employees covered 6,100
Dependents covered 4,000

Claims business by volume

Administration claims paid $12,500,000

Clients

Administration 5

Staff

Total 13
Claims services 7

Claims services since: 1986.
Parent: Cotter & Co.
Service area: Nationwide.
Contact: Carlene Bates, manager-third party administration.

Cox-Green Associates Inc.

1 Cherry Hill, Suite 909, Cherry Hill, N.J. 08002; 609-667-5500

Revenues

Total $1,800,000
Claims administration 80%
Other services 20%
Includes: risk management, Section 125 administration, COBRA administration

Continued on next page



A BLACK EYE OR A BLUE RIBBON?

Managers who take risks get one reward or another. But if you prefer bouquets over bruises, put us between you and your business risks.

We're US Facilities Corporation, a family of companies providing specialized insurance products and services that allow corporate insurance buyers, TPAs, brokers and consultants not only to protect their clients, but to lessen their risks.

For more than a decade, as underwriting managers for The Continental Insurance Company, we've been shaping medical stop-loss coverages to fit the needs of self-insured entities. The forms, coverages, claims funding and payment options we developed set the standards for the industry.

But we didn't stop there. We've filled the gaps in medical stop-loss with our own creative solutions for those working with today's more complex healthcare delivery systems. Our managed care programs minimize and contain costs through medical bill audits, case management reviews and PPO plans. In addition, we also provide cost-competitive Disability, Life, AD&D and Travel Accident insurance that give employees even greater protection.

Because places and things are as much at risk as people, US Facilities Corporation and its subsidiaries provide underwriting for property/casualty reinsurance risks and for excess and surplus lines coverages that is as innovative as our healthcare products.

So if you don't want to take a beating just because you're taking a risk, call US Facilities today for information or a quotation.

Smart Companies Rely On

US Facilities Corporation
650 Town Center Drive, Suite 1600, Costa Mesa, CA 92626
(714) 549-1600 • Fax: (714) 241-0424

US Facilities Corporation
US Benefits, Inc® • USF RE INSURANCE COMPANY
USF Insurance Company • US MedCare Review, Inc.

US Facilities Corporation common stock is traded on the NASDAQ National Market System under the symbol USRE

© US Facilities Corporation, 1994

Continued from previous page

Claims revenue	$1,550,000
Claims business by type	
Disability	2%
Flex compensation	13%
Health insurance	85%
Employees covered	12,000
Dependents covered	16,500
Claims business by volume	
Administration claims paid	$20,000,000
Clients	
Administration	82
Staff	
Total	32
Claims services	23

Claims services since: 1980.
Service area: Nationwide.
Officers: Dennis E. Cox, chairman; Clelland N. Green II, president; Stephen H. Duncan, vp; G. Phillip Lindsey, director-marketing.
Contact: G. Phillip Lindsey.

D

Delta Benefit Plans

1234 W. Oak St., Stockton, Calif. 95203; 209-948-8483; fax: 209-948-0873

Revenues	
Claims administration	100%
Claims business by type	
Flex compensation	1%
Health insurance	89%
Employees covered	32,000
Dependents covered	40,000
Other	10%
Includes: prepaid legal services	
Claims business by volume	
Administration claims paid	$60,000,000
Clients	
Administration	34
Staff	
Total	65
Claims services	65

Claims services since: 1968.
Service area: California.
Membership: SPBA, SIIA.
Officers: William Michael Stemler, president; Sandra Leiting, David Mandell, Tom Partlow, vps; Leslie Geacchelo, director.
Contact: Dave Mandell.

Delta Dental Plan of California

100 First St., San Francisco, Calif. 94120; 415-972-8300; fax: 415-972-8466

Revenues	
Total	$1,700,000,000
Claims administration	28.7%
Other services	71.3%
Claims revenue	$478,000,000
Claims business by type	
Health insurance	100%
Employees covered*	1,556,300
Dependents covered*	2,723,500
Staff	
Total	1,410
Claims services	400

** Figures represent California plans only.*

Claims services since: 1955.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Cerritos and Sacramento, Calif. Additional sales offices in Fresno and San Diego, Calif.
Claims subsidiaries: Delta Dental Insurance Co., San Francisco; Deltanet Inc., San Francisco.
Officers: William T. Ward, president/CEO; Joseph C. Jaeger, CFO; Don B. Conkling, senior vp-marketing; John F. Field, senior vp-public/professional relations; Jerry R. Holcombe, senior vp-commercial operations/corporate services.
Contact: Jeff Album, public relations.

Dental Benefit Management Inc./Benecare

472 Public Ledger Building, 620 Chestnut St., Philadelphia, Pa. 19106; 800-445-6665; fax: 215-440-1021

Revenues	
Total	$1,500,000
Claims administration	50%
Other services	50%
Includes: managed dental care, utilization review, complete administration	
Claims revenue	$750,000
Claims business by type	
Health insurance	100%
Employees covered	70,000
Dependents covered	30,000
Claims business by volume	
Administration claims paid	$6,000,000
Clients	
Administration	37
Staff	
Total	23

Claims services since: 1979.
Service area: Connecticut, Maryland, New Jersey, Pennsylvania, Rhode Island.
Officers: Bill Serata, president; Phyllis Serata, treasurer.
Contact: Phyllis Serata.

Diversified Group Brokerage Corp.

369 N. Main St., P.O. Box 180, Marlborough, Conn. 06447; 203-295-9583; fax: 203-295-8835

Revenues	
Claims administration	35%
Other services	65%
Claims business by type	
Disability	1%
Flex compensation	4%
Health insurance	93%
Employees covered	110,000
Dependents covered	250,000
Pensions	2%
Claims business by volume	
Administration claims paid	$75,000,000
Clients	
Administration	727
Staff	
Total	195
Claims services	150

Claims services since: 1967.
Service area: Nationwide.
Branch offices: Sales offices in: Braintree and Springfield, Mass.; Danbury and Mystic, Conn.; Hampton and Stratham, N.H.; Knoxville, Tenn.; Meadville and Pittsburgh, Pa.; Morgantown, W.Va.
Membership: SPBA, NAEBA.
Officers: Robert H. Soleau, president; Dean Briskey, secretary/treasurer; Edward J. O'Brien, executive vp-operations; Mary Armstrong, vp-claims/administration; Kathy Shea, vp-underwriting.
Contact: Robert H. Soleau.

Duke & Co.

P.O. Box 530, Richmond, Va. 23204; 804-783-8025; fax: 804-783-1833

Revenues	
Claims administration	90%
Other services	10%
Claims business by type	
Disability	5%
Flex compensation	5%
Health insurance	70%
Employees covered	9,600
Dependents covered	15,200
Workers compensation	20%
Claims business by volume	
Administration claims paid	$13,270,000
Clients	
Administration	42
Staff	
Total	20
Claims services	19

Claims services since: 1987.
Service area: Nationwide.
Officers: Henry W. Duke Jr., president; George Steadman, Thomas R. Brown, vps.
Contact: Henry Duke.

E

EBP HealthPlans Inc.

435 Ford Road, Suite 500, Minneapolis, Minn. 55426; 612-546-4353; fax: 612-525-4492

Revenues	
Total	$235,000,000
Claims administration	27%
Claims adjusting	2%
Other services	71%
Includes: stop-loss insurance	
Claims revenue	$82,000,000
Claims business by type	
Disability	1%
Flex compensation	1%
Health insurance	96%
Employees covered	870,000
Dependents covered	1,479,000
Life	1%

Continued on page 32

We See What Others Don't.

The potential for loss is often difficult to see, or predict. Nevertheless, very real.

At Thomas Howell Group, we can identify what our competitors in the industry are more likely to miss. And ultimately, our precision saves money for the insurer, the insured – everyone.

We're one of the world's largest loss adjustment firms, and we provide expertise in a complete range of loss-related services around the globe.

Without the proper experience and training, fast accurate thinking is not possible in a business as complex as ours. That's why we place such a high priority on our staff. And why top international companies have learned to expect prompt, tailored service from our thoroughly trained professionals.

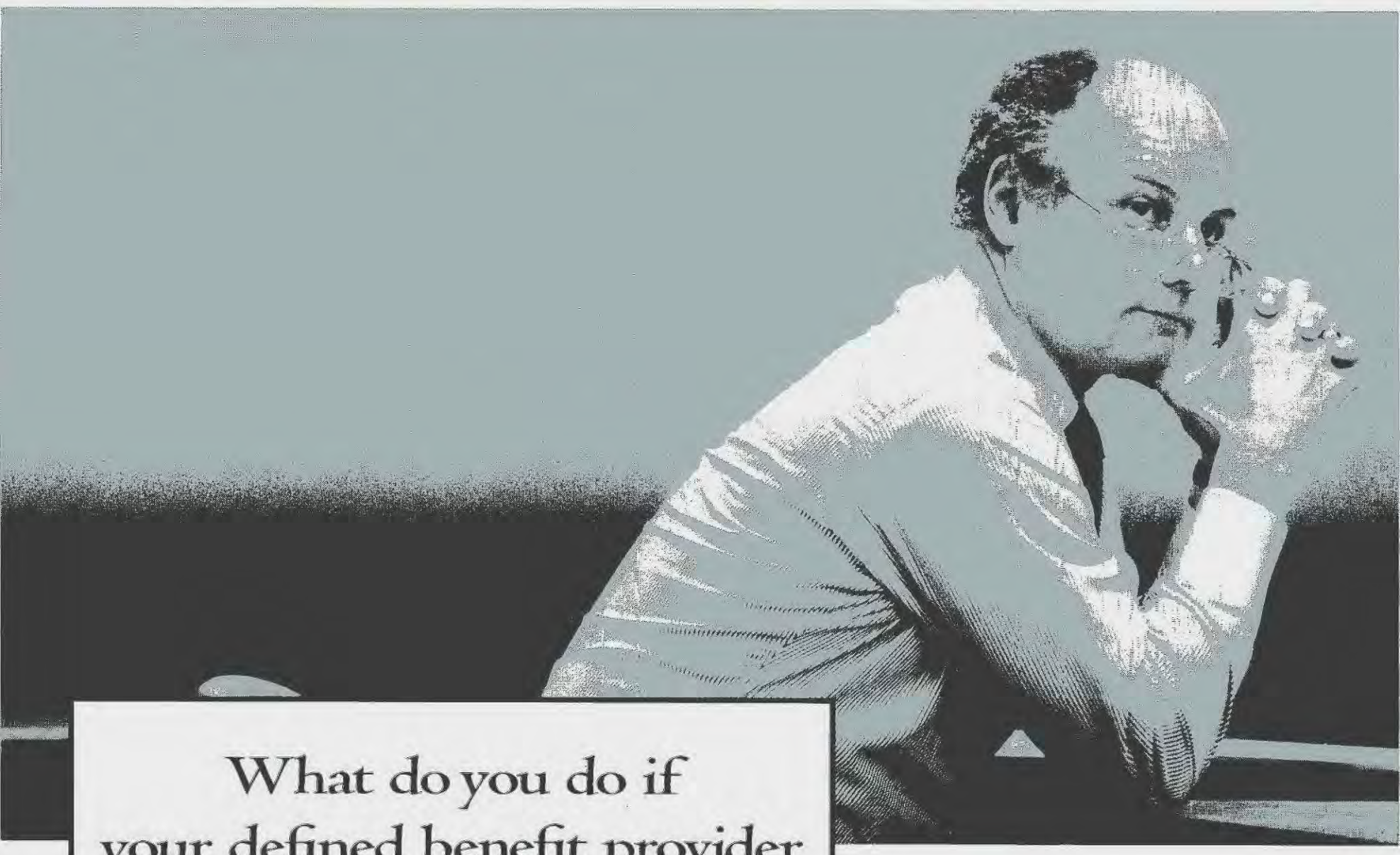
Learn more, contact Thomas Howell Group (Americas) at Six Concourse Parkway, Suite 3100, Atlanta, GA 30328. Or call 1-800-554-8697, ext. 6781. Because no matter where you are, or what loss-related service you need – you're close to an expert at Thomas Howell Group.

THOMAS HOWELL GROUP (AMERICAS) INC.

Gay & Taylor • Ward – THG • Thomas Howell Group (USA) • Gay & Taylor – THG Marine • Thomas Howell Group (Latinoamericana) • THG/Inflite Aviation



VISIT OUR BOOTH 1168 AT RIMS IN NEW ORLEANS.



What do you do if your defined benefit provider is taking an early retirement?

Whether your defined benefit plan provider is leaving the market, or just isn't meeting your needs, you should know John Hancock remains committed to providing defined benefit services.

We offer 50 years of DB experience – a full range of competitively-priced products – and a commitment to be there when you need us.

In fact, unlike some of our competitors, we continue to invest in our business to help serve you better. We recently made a major investment in technology with FileNet,® a sophisticated imaging system which allows us to more quickly and efficiently access the records of all pensioners to whom we provide benefit payment services.

We provide a range of bundled and unbundled DB services, including:

- **Actuarial Valuation Consulting**
- **Investment Policy and Asset Allocation Consulting**
- **Benefit Payment Services**
- **Investment Management Services**

To learn more about what John Hancock can do for you, call Vice President Don Morrison at (617)572-4555. And retire your worries.

Real life, real answers.®
John Hancock
Financial Services

© 1994 John Hancock Mutual Life Insurance Company and affiliated companies, Boston, MA 02117

Continued from page 30

Workers compensation 1%

Claims business by volume

Administration claims paid $2,100,000,000

Clients

Administration 2,650
Adjusting 14

Staff

Total 1,400
Claims services 1,050

Claims services since: 1974.
Service area: Nationwide.
Branch offices: Administrative offices in: Avon and Hartford, Conn.; Bethlehem and Exton, Pa.; Dayton, Ohio; Fresno, Calif.; Grand Rapids, Mich.; Las Vegas and Reno, Nev.; Maitland, Fla.; Seattle; Sioux Falls, S.D.; West Allis, Wis. Sales offices in: Annapolis, Md.; Atlanta; Buffalo, Carle Place and New York, N.Y.; Carmel, Ind.; Charlotte, N.C.; Dallas and Houston; Dayton, Ohio; Des Plaines, Ill.; Englewood, Colo.; Fresno, Pasadena, Sacramento, San Diego and Walnut Creek, Calif.; Exton and Pittsburgh, Pa.; Fort Lauderdale, Maitland and Tampa, Fla.; Grand Rapids and Troy, Mich.; Kansas City, Mo.; Memphis, Tenn.; Metairie, La.; Oklahoma City; Phoenix; Portland, Ore.; Reno, Nev.; Seattle; West Allis, Wis.
Claims subsidiaries: HealthSource.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: William E. Sagan, CEO/president/chairman; Timothy W. Kuck, chief administrative officer; Earlon L. Milbrath, CFO/vp; Andrew M. Thompson, Richard J. Fleder, executive vps.
Contact: Willard F. Newell, director-corporate communications.

Emperion Corp.

7300 Corporate Center Drive, Miami, Fla. 33126; 800-772-7805; fax: 305-715-3083

Revenues

Claims administration 95%
Other services 5%

Claims business by type

Flex compensation 1%
Health insurance 99%
Employees covered 80,000
Dependents covered 120,000

Clients

Administration 275

Staff

Total 102
Claims services 80

Claims services since: 1992.
Parent: EDS, John Alden Financial Corp.
Service area: Nationwide.
Branch offices: Administrative offices in: Boise, Idaho; Dublin, Ohio; Minneapolis; Phoenix; Sacramento, Calif. Sales offices in Dallas; Detroit; Minneapolis; Tampa, Fla.
Membership: SPBA, SIIA, IFEBP.
Officers: William S. Wilkins, CEO; Forrest E. Everhart Jr., president; Robert B. Shomer, senior vp-sales/marketing; Henry Osowski, senior vp-managed care; Terry D. Sudderth, CFO/vp-finance; Mark J. Uherek, vp-strategic initiatives.
Contact: Robert Shomer.

Employee Benefit Claims

820 Parish St., Pittsburgh, Pa. 15220; 412-922-2803; fax: 412-922-3071

Revenues

Total $35,000,000
Claims administration 25%
Claims auditing 50%
Other services 25%
Includes: PPO network, Section 125 administration
Claims revenue $34,000,000

Claims business by type

Health insurance 98%
Employees covered 15,000
Dependents covered 37,500
Other 2%

Claims business by volume

Administration claims paid $140,000,000

Clients

Administration 455

Staff

Total 80
Claims services 20

Claims services since: 1977.
Parent: Managed Care of America.
Service area: Midwestern, eastern and southeastern United States.
Branch offices: Administrative offices in Cleveland and Columbus, Ohio. Sales offices in: Atlanta; Sacramento, Calif.
Membership: SPBA, SIIA.
Officers: Paul Hughes, CEO/chairman; Don Matz Sr., executive vp; Phyllis Hughes Sehab, CFO; Charles Davidson, corporate counsel; Jack Nalipinski, president-BPA division.
Contact: Jack Nalipinski.

Employee Benefit Claims of Wisconsin

5235 N. Ironwood Road, Milwaukee, Wis. 53217; 414-962-7771; fax: 414-962-2975

Revenues

Claims administration 20%
Claims adjusting 60%
Claims auditing 15%
Other services 5%

Claims business by type

Health insurance 100%
Employees covered 85,000
Dependents covered 120,000

Claims business by volume

Administration claims paid $200,000,000

Clients

Administration 620
Adjusting 620

Staff

Total 180
Claims services 160

Claims services since: 1977.
Parent: SAFECO Insurance.
Service area: Kentucky, Mississippi, Ohio, Wisconsin.
Branch offices: Administrative and sales offices in: Appleton, Wis.; Cleveland and Findlay, Ohio; Louisville, Ky.; Meridian, Miss.
Membership: SIIA, NAEBA.
Officers: Larry Pych, John Feith.

Employee Benefit Management Corp.

4789 Rings Road, Dublin, Ohio 43017; 614-766-5800; fax: 614-766-0901

Revenues

Total $5,500,000
Claims administration 64%
Other services 36%
Includes: Section 125 services, COBRA administration and consulting, insured products, benefit consulting
Claims revenue $3,500,000

Claims business by type

Disability 2%
Flex compensation 0.3%
Health insurance 97.7%
Employees covered 39,000
Dependents covered 76,000

Claims business by volume

Administration claims paid $96,000,000

Clients

Administration 78

Staff

Total 110

Claims services since: 1978.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Russel Means, chairman; Thomas C. Jack, president; Molly White, Bill Weatherholt, David Coleman, vps.
Contact: Bill Weatherholt.

Employee Benefit Management Services

P.O. Box 21367, Billings, Mont. 59104; 800-777-3575; fax: 406-259-7871

Revenues

Total $2,600,000
Claims administration 80%
Other services 20%

Claims business by type

Disability 1%
Flex compensation 6%
Health insurance 93%
Employees covered 23,000
Dependents covered 59,500

Claims business by volume

Administration claims paid $41,000,000

Clients

Administration 126

Staff

Total 48
Claims services 48

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Administrative offices in Salt Lake City. Sales offices in: Portland, Ore.; Salt Lake City; Spokane, Wash.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: F.H. (Rick) Larson, president; Nicki Larson, vp.
Contact: F.H. (Rick) Larson.

Employee Benefit Systems Inc.

P.O. Box 53941, Fayetteville, N.C. 28305; 910-323-0290; fax: 910-323-9466

Continued on next page

The Get-Well Network.

THE MULTIPLAN NETWORK IS MORE than our 10,000 health care facilities nationwide – it is the tens of thousands of people who work with us in those facilities to keep health costs reasonable for the more than 7 million people who rely on us. As one of the largest Preferred Provider Organizations in the nation, and the fastest-growing, we offer our clients discounts at:



- general hospitals
- subacute facilities
- rehabilitation/orthopedic facilities
- psychiatric and alcoholism and substance abuse treatment facilities
- home health care providers
- facilities with specialties in organ transplants.

In addition, our clients benefit from our growing network of physicians.

Additional savings are available through our MultiPlan Managed Care Inc. subsidiary, which provides a full range of managed care options.

Our hundreds of clients include insurance companies, corporate benefit plans, third-party administrators, and labor-management and government benefit plans.

We have more experience helping our clients save money at health care facilities than anybody else. We've been at it for more than two decades, and *it's our only business.*

For information on how The Get-Well Network℠ can become *your* network, please call Edward Rothstein or Ron Katz at 800 677-1098 or write to MultiPlan Inc., 17 West 17th Street, New York, NY 10011.

MultiPlan
Savings Nationwide

Agent/Broker Topics

A monthly editorial section sent exclusively to agents and brokers

Agents succeed despite sullied images

MetLife and Prudential work to stamp out shady sales ploys

By SALLY ROBERTS and GAVIN SOUTER

Reports of deceptive sales practices have taught customers that getting Met doesn't necessarily pay and that they may not want a piece of the Rock.

Metropolitan Life Insurance Co. has been on the hot seat since its agents were caught misleading customers in the sale of investment products last year. And Prudential Insurance Co. of America has come under scrutiny after brokers in its securities unit allegedly deceived thousands of investors into thinking that their risky investments were in safe vehicles.

Thousands of agents throughout the country have depended on MetLife and Prudential for their rock-solid reputations. Now, both insurers are engulfed in a public relations quagmire as they try to salvage the confidence of existing and potential clients.

MetLife and Prudential agents say that some customers are spooked by the reports of wrongdoing, but that their business has yet to be affected.

Both insurers say they have coped with problems by being open and honest with customers and that this has helped to bolster their reputations. Both have also paid millions of dollars in refunds or to settle customer lawsuits or both.

Customer relations problems are not limited to those who were directly affected by the insurers' actions. Several corporate benefit managers and risk managers say the episodes will make them more careful in their dealings with MetLife and Prudential.

MetLife's problems started in the late 1980s. Agents in its Tampa, Fla., office and the literature they distributed described their product as an investment product but failed to tell customers that it was really just life insurance. Ultimately, the company estimates, a total of 45,000 customers may have been deceived.

Whole life policies can be used to supplement retirement income, but "it is (standard procedure) at Met that the product needs to be properly identified," said Charles Sahner, manager of public relations at MetLife. It is also standard procedure to have the literature approved by the insurer's New York headquarters. A MetLife investigation discovered that most of the literature was used without company approval, he said.

Life insurance policies differ from investment products like annuities in many ways. For agents, the most notable difference is that life insurance policies pay much more lucrative commissions in the first year.

When MetLife became aware of the sales activity, it gave refunds to 3,000 of the 18,000 customers who had purchased whole life policies from the Tampa office since 1990. The refunds were based on the cash surrender values of the customers' policies.

The remaining 15,000 customers in as many as 37 states were informed that if they did not understand they bought a life insurance policy rather than an investment product, they could get a refund or have their money invested in an annuity. About 60% decided to keep the product they had purchased, Mr. Sahner said.

So far, MetLife has paid out about $11 million in refunds. The insurer is currently investigating sales activity in 14 other states where similar literature may have been used.

Last month, Georgia insurance regulators fined the insurer $250,000 and MetLife made restitution to 311 customers in the state who had heard the misleading sales pitches.

Separately, Florida insurance regulators continue to investigate reports of deceptive sales practices by MetLife agents.

In the fall of 1992, state officials were first tipped off to the practices by MetLife agents who said they had been dismissed because they knew about the wrongdoing, said a spokeswoman for the Florida Insurance Department.

Customers are the No. 1 priority at MetLife, said Mr. Sahner. Larger group health and pension customers were, of course, not affected by the misleading sales tactics. Those customers can "clearly see with the numbers that we remain one of the strongest insurers financially, and if anything, we're getting stronger."

MetLife intends to develop a plan that would provide restitution to "any policyholder misled or deceived into purchasing a whole life insurance policy through inappropriate sales literature or practices," he said.

The insurer estimates that as many as 45,000 customers

Continued on next page



Poor image

Continued from previous page

could have been misled into buying a life product, which could ultimately amount to $30 million in restitution.

As of year-end 1992, MetLife reported $6.32 billion in statutory surplus and admitted assets of $118.18 billion.

Once the scandal hit the newspapers, seven MetLife employees were either terminated, opted for retirement or their positions were eliminated. The insurer plans to establish new departments to ensure the company's rules are followed, as well as to improve agent sales practices.

The new departments, which are currently in development, include a business standards committee, a "unified" customer relations department and a corporate ethics and compliance committee, Mr. Sahner said. The latter department's role is to "monitor and implement strategies ensuring business operations are fair and in full compliance with corporate policies."

"We want to make sure something like this doesn't happen again in the future," he said.

Revelations of millions of dollars of deceptive sales also rocked Prudential last year.

They primarily stem from Prudential Securities Inc., based in Roseland, N.J., which allegedly violated securities laws by investing clients' funds in risky limited partnerships but told the clients the money was in safe vehicles.

Insurance agents also played a role. It came to light last year that Prudential Insurance agents were improperly selling investments in a joint marketing agreement with Prudential Securities. The agents were not licensed to sell the investments, and therefore they were not entitled to split the commissions with the brokerage unit.

Last October, Prudential agreed to set up a $371 million fund for fines and penalties brought by the Securities and Exchange Commission and 49 state regulators. States received $500,000 each in the deal.

And in January, Prudential settled with regulators in Texas, the only state not to agree to the original settlement. Under that agreement, Prudential Securities agreed to be temporarily suspended from opening up new brokerage accounts in Texas and to pay the state $1.5 million.

"It was brought to our attention in Oregon (by other Prudential employees), and as soon as it was brought to our attention, we halted it," said Joseph Vecchione, vp-public relations at Prudential Insurance.

The insurer has tried to be open and honest when it is asked about the incidents, he said.

"What we do is we answer any questions and be as cooperative as possible," Mr. Vecchione said.

As reports of alleged wrongdoing continue to surface, Prudential is also relying on its reputation as a good company.

"We have an excellent reputation that has been built up over many years, and the reputation is coming into play now," he said.

The two incidents have not affected the insurer's profits, he said.

"Our figures for 1993 will show that it has been our best year ever," Mr. Vecchione said.

Agents at MetLife and Prudential outside the areas in question say that neither scandal has hurt business or relations with customers.

"Most of the time it's never even brought up," said George Lucus, a MetLife agent in Lansing, Ill. Some customers do read about the scandal and ask questions, though. "I tell them what happened, and they are not the least bit concerned," he said. "Business is just as good as it's ever been."

"We have had a lot of calls about it, but we reassure people that Prudential Securities and Prudential Insurance are separate companies and what they have bought from us has nothing to do with what they are reading in the papers," said Steven Lance, district representative for Prudential Insurance in Mount Vernon, Ill.

Agents have been concerned about the tarnished reputations, but so far it has not lost them any business, said Joe Olerio, a Prudential Insurance agent in Providence, R.I.

"My answer is yes it happened, but that (Prudential Securities) had profits of $700 million and it has set aside $371 million to make any paybacks and it has not affected our operation at all," Mr. Olerio said.

Some agents report taking a more aggressive approach to customer relations.

"We've taken the bull by the horns and contacted clients and have continued to update them on what is going on," said William Zywieiel, manager at a Prudential Insurance agency in Chicago.

Meanwhile, some of their biggest customers say the two insurance companies are taking the right course in trying to restore customer confidence.

MetLife and Prudential are "reacting reasonably well. I don't give them real high marks, but I can give them OK marks," said Gregg Conroy, manager-corporate benefits at ALCOA Fujikura Ltd. in Brentwood, Tenn.

"It takes a lifetime to build confidence, and 30 seconds to lose it," said Don MacMeekin, corporate risk manager of Dallas-based Cinemark USA Inc. "The restitution won't fill the jug of confidence. It eases the pain, but it certainly doesn't make me feel more confident," he said, referring to both insurers' refunds.

The insurers "need to show that they fixed what's broken and are ready to go on," he said. By organizing new units and letting some of the people involved go, MetLife did what was appropriate, but it could take many years to restore the confidence level.

While Cinemark does not place its insurance with MetLife or Prudential, their sales activities have "heightened my awareness of all the insurers I deal with," Mr. MacMeekin said.

Other benefit and risk managers agree that the incidents have made them more cautious but say the incidents won't inhibit them from future dealings with the insurers.

"It will not prevent me from doing business with them," said Alcoa's Mr. Conroy. However, "it is going to (raise the) question whether the business I want to do might be impacted or related some way" to their deceptive business activities, he said, adding that it will result in more in-depth ques-

Continued on next page

Coverage Guaranteed

Look for *Agent/Broker Topics* the first Monday of every month.

ISSUE	CLOSING	FEATURE
Jan 3	Dec 21*	Agency Networks & Franchises
Feb 7	Jan 26	Consumer/Customer Relations
Mar 7	Feb 23	Global Strategies
Apr 4	Mar 23	Legislative Issues
May 2	Apr 20	Agency-Insurer Relations
Jun 6	May 25	Advertising/Promotion
Jul 4	Jun 22	New Business Opportunities
Aug 1	Jul 20	Employee Recruiting & Development
Sep 5	Aug 24	Automation/Most Productive Agencies
Oct 3	Sep 21	Government Relations
Nov 7	Oct 26	Niche Marketing
Dec 5	Nov 23	Agent Conventions

Agent/Broker Topics is a monthly demographic section published within the pages of *Business Insurance* and sent exclusively to *BI 's* agent/broker subscribers.

Advertisers in *Agent/Broker Topics* are positioned within an unparalleled editorial environment and reach an undiluted audience representing a wealth of purchasing power for insurance products and services. With an average premium volume of $19.5* million, 90%* of these influential readers take action as a direct result of the articles or advertisements they read in *Business Insurance*.

* An Audience Profile of the Business .nsurance 'Agent/Broker' Subscriber, 1993, Conducted by Erdos & Morgan/MPG.

Business Insurance®
Coverage Guaranteed

New York: 220 East 42nd Street • New York, NY 10017-5806
telephone: 212-210-0133 • fax: 212-210-0704
Chicago: 740 Rush Street • Chicago, IL 60611-2590
telephone: 312-649-5276 • fax: 312-649-7799
Los Angeles: 6500 Wilshire Blvd • Los Angeles, CA 90048-4947
telephone: 213-651-3710 • fax: 213-655-8157

Canadian banks not yet a threat to agents

Insurance industry taking the opportunity to enhance services

By MICHAEL SCHACHNER

When the Canadian government in 1992 removed some of the barriers to banks writing insurance, the move raised the specter of increased competition for Canadian insurers, agents and brokers.

However, with the exception of one bank, Canada's banking industry has largely stayed out of the insurance business.

But that doesn't mean insurers are completely at ease. Nor are agents and brokers. They believe the time is now to enhance their services and to work with insurance companies to withstand an onslaught from banks that may have a ready-made market share and the ability to sell on price rather than service.

"Nobody (in the insurance industry) is particularly happy about it but, for the foreseeable future, banks won't be real competition. We do our lines of business much differently from how they do theirs," said a spokesman for Sun Life Assurance Co. in Toronto.

But Diane Robinson, executive director of Groulx Insurance Brokers, said, "We're proactively fighting this, and we're trying to get insurers to help us out by being more flexible with their pricing and by offering better products." Groulx's offices across Ontario and Quebec generate revenues of $25 million Canadian ($18.9 million).

The bank that the insurance industry probably is keeping the closest eye on now is The Canadian Imperial Bank of Commerce. The bank, Canada's second-largest, is clearly running like the hare, compared with the tortoise-like pace of other large banks on the road to becoming insurance underwriters.

CIBC recently began writing accidental death and dismemberment insurance policies through one of its three wholly owned insurance subsidiaries, and the Toronto-based bank is currently reinsuring about $116 million Canadian ($87.6 million) in annual life insurance business that it markets on behalf of several insurance companies.

CIBC also bought an established Quebec-based personal lines insurance company last month in an effort to strengthen its position in what could eventually become an incursion into insurance by Canadian banks.

But while other large Canadian banks—including Royal Bank of Canada, the Bank of Montreal or Toronto Dominion Bank—take a cautiously slow pace, CIBC has no intention of slowing down and suffering the same fate as the hare in the famous fable.

Dwight Lacey, CIBC's chief executive of insurance operations, said the bank's insurance units will begin writing more standard forms of life insurance within the next few months, and the units hope to underwrite a range of individual and group products over the next couple of years.

And, by the time the Canadian government reconsiders banking laws in 1997, CIBC is planning to

Continued on page 32G

Poor image

Continued from previous page

tioning and investigation.

"For example, if I was looking at the Prudential in the area of pension fund investment, I would want to make more inquiries in the future about their relationship with the securities operation," Mr. Conroy said.

MetLife and Prudential's problems are "isolated incidents" and ones that could occur in very large organizations, contends Hugh Becker, director of human resources for Robbins & Myers Inc., a manufacturing firm in Dayton, Ohio. The incidents do not reflect the overall policy of the company but rather the policy of some "over-aggressive individuals."

Robbins & Myers decides which insurers to put on its bid list based on the relationship, past experience and performance in that specific line of business, Mr. Becker said.

The revelations should come as no surprise to people who are used to dealing with aggressive insurance sales representatives, suggested John Veale, director of risk management at Shriners Hospital for Crippled Children in Tampa, Fla.

"It shows that the buyer needs to be as wary as always," Mr. Veale said.

Insurance salespeople are frequently over-aggressive in promoting their products and this problem cannot always be alleviated by seeking several quotes, Mr. Veale said.

"You can try and get competitive bids, but they are all in the same boat and they all sell in a similar way," he said.

In theory, the incidents might make customers more wary of dealing with MetLife and Prudential, Mr. Veale said.

"But I'm so wary of insurance salesmen anyway that it would be difficult for me to become more so," he added.

The problems can be attributed to the type of over-aggressive marketing that frequently occurs in the financial services industry, agreed James Metz, employee benefits coordinator at Broward Community College in Fort Lauderdale, Fla.

"What happened has had no effect on me at all," Mr. Metz observed.

Broward uses Prudential to insure its dental program, Mr. Metz said.

"(The incident) does not change my view of our arrangements because the Prudential has reserves for each part of the company, and I'm very happy with the people I deal with there," he said. BI



Agent/Broker Topics

A simple question inspires agent's mission in Somalia

By EILEEN P. GUNN

When the media images of walking Somali skeletons hit America's living rooms in the summer of 1992, New Jersey insurance agent Robert E. Mullock asked himself: If reporters can land in the middle of a famine to photograph the victims, why couldn't someone land in the middle of it all with food and medicine?

So began the adventure of a lifetime.

Since September 1992, Mr. Mullock has made five trips to Baidoa, Somalia.

At first, he was a "glorified gopher" between Nairobi and Baidoa, talking his way aboard U.S. military C-17 cargo planes with duffel bags of food and medicine.

After U.S. troops landed, he helped local Somalis and the Irish relief organization GOAL to fund and coordinate the construction of an orphanage, raising about $100,000 in money, clothing and supplies along the way.

Mr. Mullock's journey began when he read in the New York Times that the Somali embassy at the United Nations was so broke it did not so much as have a working typewriter.

"It seemed absurd to me, when you think of the U.N. in the middle of Manhattan, that there would be that technicality of no typewriters," said the 44-year-old Mr. Mullock.

He collected used office equipment and drove more than 180 miles from his Cape May, N.J., home to the embassy.

"When you get involved in these situations, you find out that if you don't do it, it doesn't get done," he said.

So while the media were enumerating the reasons food wasn't getting into Somalia, he was packing his bags.

Mr. Mullock's wife, Linda, and their four children, ranging in age from 3 to 17, were surprised but very supportive of his decision, he said.

Not long afterward, he landed in Baidoa with the good wishes of his two partners at Wildwood, N.J.-based independent agency National Group Insurance Agency, a suitcase full of clothes and some peanut butter and crackers his wife had packed for him. He was in no way ready for what he encountered.

Instead of the Red Cross tents and field kitchen he expected to find, there was a devastated town, 400,000 refugees and 35 relief workers who were required by their agencies to evacuate whenever the gunfire started.

"I counted nine bodies along the way (from the landing strip to the orphanage compound), and all over the place were walking skeletons," Mr. Mullock recalls.

"I was probably the least-prepared person to go on a mission like this," he says, laughing. "It was like 'Insurance Agent Lands in Somalia with His Briefcase.' "

He found a local orphanage—a dilapidated ranch house without windows or doors inside a masonry wall—which had become a collection point for children whose parents died walking from their villages to Baidoa. About 300 children were there, with eight to 10 dying each day and more coming in.

Adapting quickly to the situation, Mr. Mullock gained an OK from U.S. Marine Brig. Gen. Frank Libutti, the commanding officer of Operation Prepare Relief, to use spare storage space on military transport planes for supplies. He also befriended Marines, who gave him their Meals Ready to Eat, and he gained popularity among the locals as the only volunteer who didn't bug out when the violence picked up.

Mr. Mullock returned home after a month there. "When I left, I felt like I was abandoning these kids," he said.



'When you get involved in these situations, you find out that if you don't do it, it doesn't get done.'

But soon after he was home, a story about the orphanage ran in a local paper and generated a response. Two people showed up on his doorstep with checks—one for $500 and the other for $5,000—and an Atlantic City, N.J., casino gave him a check for $10,000.

'It was kind of like a journey from God," said Mr. Mullock, who describes himself as the ultimate yuppie who had not been very religious. "Every time I needed something, doors kept opening. And every time I thought I was finished, something would happen and I'd wind up going back."

He returned to Baidoa that December with roofing and nails for the orphanage, landing in time to see the U.S. Marines roll in.

At that point, the gun-toting locals knew troops were on their way and had raided the orphanage compound at 2 a.m. or 3 a.m. three nights in a row, looking for food.

Relief agencies had pulled out because of all the shooting, and food and medical supplies had become irregular. "Things were getting worse again," he remembers.

In the compound with Mr. Mullock were Somali workers, the orphans and a few reporters, one of whom "had the only AK-47 we had."

Then, on Dec. 15, U.S. special envoy Robert Oakley came into town, had Mr. Mullock round up the town elders for a meeting and told them U.S. troops would arrive within 24 hours.

At 6 a.m. the next day, recalls Mr. Mullock, "Me and a couple of kids were standing on a corner in the town and suddenly we saw a Cobra helicopter" followed by more helicopters. "And then up the road comes this huge American flag, and behind it were the Marines" with personnel carriers and trucks of food and medicine for the orphanage.

Everyone in Baidoa "came streaming out of the camps. . . .It was like a concentration camp had been freed," he says.

Because the Marines knew Mr. Mullock from his runs to Nairobi, they headed right to the orphanage, where he was supposed to meet them.

"I couldn't go (to the orphanage) because it was all so overwhelming. . . .It was such a thing, every time I saw it or thought about it I'd break down crying."

With his courier services obsolete, Mr. Mullock went home again.

He returned in February 1993 with more donations and met with various organizations about building a real orphanage with classrooms and a farm.

He went back again in August 1993 to finalize construction plans for one last building and to open up the farm.

At the end of last month, Mr. Mullock made his last trip to wrap things up.

The agent was honored for his generosity by Continental Insurance Co., which presented him the Walter L. Tarver Circle Agent Employee Community Service Award in November 1993 and gave $2,500 to the orphanage in Somalia.

He declines to say how much it all has cost him.

"I really believe the only reason I was able to do what I did was because of the strength of the community I have here" in New Jersey, the reluctant hero says.

He is willing to explain what he learned in Baidoa.

"In this country you have a firehose of information in your face, and your emotions go up and down with what you're fed," he says. "You have no media over there, so after a little while you get your emotions back in tune with your personal experiences. . . .Instead of getting thrilled by who got traded to what team, you get thrilled by the kid in front of you," Mr. Mullock said. BI

Want "specialty" insurance with a personal touch?

Talk to the Brownyards.

The personal, "hands-on" approach the Brownyards have taken toward their security guard coverages for nearly 40 years is also being applied to their country club and pest control coverages.

In all three of those areas, agents and brokers have come to count on the Brownyards for steady, dependable coverage year after year–through soft and hard markets alike.



Put the unique Brownyard personal approach to work for you. Talk to Brendan or Bryan –for security guard, country club and pest control coverages that you and your clients can always count on. **Talk to the Brownyards.**

THE BROWNYARD GROUP

21 Maple Avenue, CN9175 Bay Shore, NY 11706-9175
(800) 645-5820 • In NY: (516) 666-5050 • FAX: (516) 666-5723

Los Angeles agents coping with quake

Shaken themselves, agents scramble to service clients' claims

By MEG FLETCHER

The recent earthquake shook up Southern California insurance agencies in more ways than one.

Within days of the quake's pre-dawn strike on Jan. 17, the death toll had reached nearly 60 and damage estimates from a variety of sources quickly topped $30 billion, with insured losses expected to be at least $3 billion (*BI*, Jan. 31; Jan. 24).

The area also has trembled in the wake of more than 1,500 aftershocks since the quake hit, several of them stronger than 5.0 on the Richter Scale.

The scenario has created numerous challenges for agents who had to cope with their own losses as well as those of their clients. In some cases, the recovery process was under way within hours.

"The worst thing is that you cannot predict it. It just hits," said Ted Huntington, senior vp at the Professional Insurance Agents of California/Nevada in Van Nuys.

The PIA's two-story, 3,000-square-foot building 10 miles from the epicenter sustained about $20,000 in structural damage, including cracked walls and collapsed awnings, Mr. Huntington said. PIA executives had feared that local building officials might condemn their building, but the association workforce was allowed to return to the office.

The PIA expects to make a claim for the damage on its earthquake policy, which has $300,000 in limits and a 5% deductible, he said.

The building housing Insurance Marketing & Management Services in Santa Monica, which is 20 miles from the epicenter, sustained only a few minor plaster cracks in interior walls. However, the front of one nearby structure was sheared off, and the floor of another two-story building collapsed.

Although the IMMS building had only minor damage, "our automation manager drove 25 miles to evaluate our computers, shut down the system and take backup disks off-premises," said Jack Nordhaus, vp of information services for IMMS, which provides products and services to agents.

"Staff began coming in the next morning at 6 a.m., filming the damage for insurance purposes and manning the phones," he said. They also cleaned up floors strewn knee-high with books, tapes, files, papers, office supplies, ceiling tiles and shards of glass that used to cover prints and plaques that were on the walls.

Noel Silverman, president of FGW Insurance Services, said his office in Chatsworth looked like it had gone through a mixer.

Other agencies in the San Fernando Valley reportedly had every piece of glass blown out and the buildings condemned, an agent said.

Despite their own office-related problems, agents worked hard to keep up with clients' needs.

Don Killian, a managing director at James Econn & Co. in Los Angeles, said his agency has about 40 corporate clients that sustained quake-related damage. Some building owners suffered water damage from sprinklers that soaked carpeting and office equipment, while others had large fires from ruptured gas lines.

Agents "are being deluged with claims," said Mr. Silverman, whose office has received more than 150 already.

"I'm holding a lot of hands," about 90% of them homeowners, said Mr. Silverman, who currently is PIA president.

Typical earthquake coverage consists of an endorsement to a homeowner's policy with separate, 10% deductibles on the dwelling, its contents and related structures like swimming pools and walkways. Most claimants won't have enough damage to their dwelling or contents to meet those deductibles, he added.

The worst problem is "getting adjusters to meet with clients," said Tom Leach, vp at Dennis, Mayer & Leach Insurance Services Inc. in Canoga Park.

An exception was an adjuster for Deans & Homer, a San Francisco-based managing general agent, who took only four hours to get to a client's door with a checkbook and a bottle of water in hand, Mr. Leach said. That was particularly impressive, because the adjusting firm itself had to relocate its office from Mission Hills to Pasadena because of quake damage, he added.

One of the most common problems agency employees face now relates to the closure of quake-damaged expressways.

PIA's Mr. Huntington said his normal 30-minute commute by automobile is taking two hours each way. He now rides a train from Valencia to Burbank before driving to the office with a colleague.

Mr. Silverman said his normal 20-minute commute can take 90 minutes, depending on the time of day.

Employees of the James Econn & Co. agency narrowly avoided significant commuting problems.

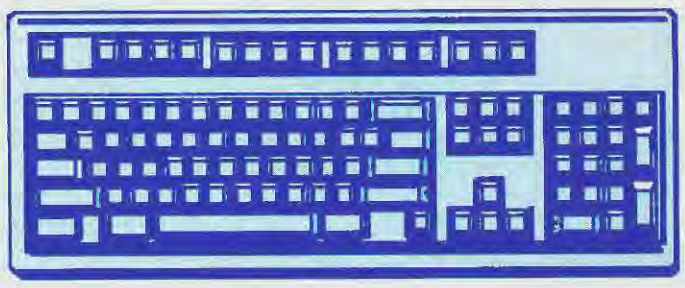
The weekend before the quake hit, staff members moved their offices from the mid-Wilshire area to downtown Los Angeles. The move had been planned in part because that area offers much better access to the city's mass transit service. Had the agency not moved, employees would have to spend a lot of time riding a network of buses, Mr. Killian said.

"The quake woke everybody up to the need for earthquake preparedness," Mr. Huntington said.

To ensure the safety of its 16 staff members, the PIA office created an "earthquake kit" by filling a large garbage can in a conference room with emergency supplies, including flashlights, bottled water, blankets, a crowbar and even an ax, Mr. Huntington said.

Staff members also read literature to learn how to respond to aftershocks, he said.

The tremors are making some people nervous, but not all. "We're getting better at predicting the magnitude of aftershocks and joked about putting together an office pool," Mr. Huntington said. BI



Corporate buyers are a keystroke away.

BI's Directory of Corporate Buyers of Insurance, Benefit Plans and Risk Management Services, published for 11 years in a printed volume, now is available in an electronic edition for IBM-PC and compatible computer users. Now, you can print your own labels or reports in a variety of formats with the touch of a key.

The new **BID Software** is a self-contained program ... just load it in and put it to work. Each alphabetical listing includes:

- company name, address, telephone and fax
- nature of business
- company size in assets or sales
- number of employees
- corporate buying influentials by name, title and area of responsibility.

The **BID Software**

- puts more than 12,000 corporate buying influentials from nearly 2,300 companies throughout the U.S. at your fingertips
- puts the facts and figures you need easily at hand
- lets you search by company name; geographic location – including city, state or zip code; company size – by range in assets, sales or number of employees; or indiviual's name, title or area of responsibility.

And, with **BID Software**

- mailing labels or hard copy reports are just a keystroke away.

To install and use the **BID Software** you must have:

- an IBM-PC or 100% compatible computer
- 3.5" or 5.25" low density floppy
- 7MB free hard disk space
- 512K RAM
- DOS version 3.1 or above

To order the 1993/94 **BID Software** for the ***Business Insurance Directory of Corporate Buyers*** for only $595, complete the form below and mail to:

Dorothy Wood, BID Software
Business Insurance
965 East Jefferson Avenue, Detroit, MI 48207

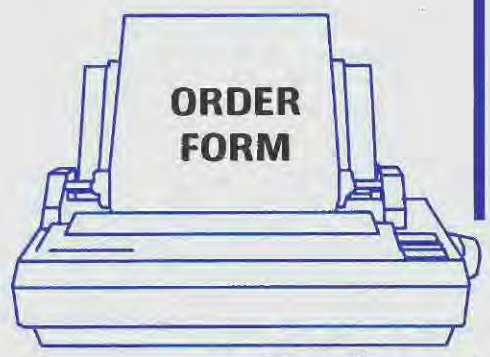
Or, call Dorothy Wood at 313-446-1623. Or, fax your order to: Dorothy Wood, BID Software, 313-446-1650

Format for BID Software: ❑ **3.5" disk** ❑ **5.25" disk**

Residents of the following states are required to pay corresponding sales tax:
CA ... 7¼% IL ... 8¾% MI ... 4% NY ... 4% NYC ... 8¼% OH ... 5%

Enclosed is a check for $ _____ payable to *Business Insurance*,
or charge my: ❑ VISA ❑ AmEx ❑ MasterCard ❑ Discover

Account # _____ Expiration Date: _____
Name _____
Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Phone (____) _____ Fax (____) _____



Business Insurance®

Agent/Broker Topics

10 fraud artists cited for their handiwork

Coalition Against Insurance Fraud picks the best of the worst

By MARK A. HOFMANN

It's a distinction that demands the adjective "dubious"—being named as perpetrator of one of the Top 10 Insurance Fraud Cases of the Year.

Yet that's the list on which a select group of individuals and organizations found themselves earlier this month when the Coalition Against Insurance Fraud announced its first annual "winners."

And recognition for some of those on the list may not end with this year's announcement, said Dennis Jay, executive director of the Washington-based coalition. He's thinking about creating an Insurance Fraud Hall of Fame.

"We'll put it in Cleveland, right next to the Rock 'n' Roll Hall of Fame," he joked.

But there's nothing particularly funny about insurance fraud, said Mr. Jay, who took the helm of the new coalition last year. Property/casualty insurance fraud costs the nation at least $17 billion annually, according to industry estimates.

The coalition took form last June as a broad-based group whose purpose is to attack all facets of property/casualty insurance fraud. Its members include individual insurance companies and trade associations, government associations, prosecutors and consumer groups.

Mr. Jay said the reason the coalition decided to name a Top 10 of Insurance Fraud was to demonstrate the diversity of fraud. "When most people think about insurance fraud, they tend to think about it in a very narrow way," he said. Some people think about claims fraud, others think about fraud committed by insurers, while still others think about fraud perpetrated by consumers, he said.

The resulting list was drawn from nominations made by about 20 different state and federal prosecutors, said Mr. Jay.

"Everybody wanted their favorite case in the Top 10," he said.

Even though the cases chosen weren't necessarily the worst in terms of dollars lost, they did represent "some of the worst and most bizarre" examples of their particular category of fraud, said Mr. Jay. He added that only cases that had been resolved were chosen for inclusion.

No. 1 on the list, a case that the coalition calls the "Super Bowl of Insurance Fraud," involves the operations of Alan Teale. According to the coalition's citation, Mr. Teale, who was sentenced in December to 17 years in prison, "used a wide variety of insurance and reinsurance operations to take in millions of dollars of premiums and resisted paying out claims by blaming policyholders, claims adjusters, insurance agents and attorneys. As authorities shut one company down, others sprang up."

The Teale operations, which fell under the category of insurer fraud, caused economic damage of $72 million, according to the coalition (*BI*, Dec. 6, 1993; Aug. 9, 1993).

No. 2 on the list, which also fell into the insurer fraud category, dealt with the activities of Norman Bramson and his sons Leonard and Martin. The Bramsons created a network of unlicensed insurance companies that sold medical malpractice coverage to hard-to-insure physicians. The companies routinely denied claims, and premiums were diverted to overseas bank accounts.

"When challenged by doctors or regulators, the Bramsons would close down the business and reopen, using a different name. Dozens of physicians were left in financial ruin; injured patients were left with no compensation for their suffering," according to the coalition's citation. The coalition puts the cost of the Bramsons' fraud at $100 million.

Leonard Bramson has been convicted and Norman pleaded guilty to a conspiracy role in the scam. Martin Bramson continues to elude authorities (*BI*, Dec. 6, 1993; May 4, 1992).

The No. 3 entry falls into the claims fraud category and concerns the activities of Michael and David Smushkevich. The Smushkevich brothers operated mobile medical clinics and laboratories in Southern California. Luring patients with promises of free physicals, the providers would find allegedly serious health problems and bill insurers for unnecessary tests.

The Smushkeviches pleaded guilty to fraud charges last year and admitted receiving at least $80 million from insurers, but some investigators believe the ultimate amount lost could be about $1 billion (*BI*, March 22, 1993).

The No. 4 spot is occupied by an entity that neither has been convicted of any wrongdoing nor has admitted any wrongdoing, said Mr. Jay. It also has not been ordered to cease operations by regulators, though it has come under regulatory scrutiny.

National Medical Enterprises, a Santa Monica, Calif.-based health care provider, was is the subject of a federal fraud probe, allegedly admitted patients who did not need inpatient treatment to its psychiatric facilities and then treated them at inflated prices. After being sued by 13 insurers, NME countersued but ultimately agreed to pay $230 million to insurers and patients without admitting any wrongdoing (*BI*, Nov. 22, 1993; Oct. 4, 1993).

No. 5 involves a case of insider fraud in the New York metropolitan area. About 100 people—independent claims adjusters, insurance company employees, policyholders and two former police officers—were accused of colluding to cheat insurers out of hundreds of millions of dollars, perhaps as much as $1 billion, in phony and

Continued on next page

Upcoming conferences you can't afford to miss...

THE ANNUAL

Business Insurance®

CONFERENCE SERIES

presented in conjunction with

IBF • International Business Forum

HEALTH CARE MANAGEMENT & COST CONTAINMENT CONFERENCES

These events address the specific concerns of corporate executives purchasing health care for their employees. Sessions cover the rapidly changing managed care industry and creative and innovative strategies to curb costs.

THIRD SPRING CONFERENCE:
May 18-20, 1994
ANA Hotel
Washington, DC

THIRD WINTER CONFERENCE:
January 1995
Loews Coronado Bay Hotel
San Diego, CA

WORKERS COMPENSATION CONFERENCE

This event addresses the specific concerns of corporate executives managing workers compensation programs and rehabilitation services. Sessions cover this rapidly changing environment and creative and innovative strategies to contain costs.

SECOND ANNUAL CONFERENCE:
October 19-21, 1994
Loews Coronado Bay Hotel
San Diego, CA

WHO SHOULD ATTEND THESE CONFERENCES:

- CEOs and CFOs
- Risk managers
- Employee benefit managers
- Human resource executives
- Workers comp administrators
- HMO/PPO executives
- Insurers
- Brokers
- State and local government representatives
- Association executives
- Attorneys
- Consultants
- Health care providers

FOR DETAILS ON REGISTRATION OR EXHIBITION, CONTACT:
IBF • INTERNATIONAL BUSINESS FORUM
7 Penn Plaza, Suite 901
New York, NY 10001
Tel (212) 279-2525 • Fax (212) 279-9307

Canada

Continued from page 32C

be a multifaceted financial services company capable of selling all forms of insurance from its branch offices, Mr. Lacey said.

CIBC's ultimate goal by 1998 is to write at least $500 million Canadian ($377.6 million) in multiline premiums.

That goal will require much effort, however, because for now, Canadian banks must establish separate units to sell insurance, and those units cannot be located in any bank facilities.

Because of this restriction, banks' insurance operations are deprived of easy access to potential insurance buyers. As a result, most banks have steered clear of the insurance field, bank officials said.

In addition, Canadian law continues to forbid banks from target-marketing a buyer. For example, if a bank wanted to send a piece of direct mail about auto or homeowners insurance to one of its credit card holders, the law requires the bank to send the exact piece of mail to every one of its credit card holders.

"When you can't sell insurance from your branches, and you cannot target-market your customer base, it's very difficult and very expensive to sell your products," said Bill Fearn, senior vp-insurance operations with Toronto Dominion Bank.

TDB will stay on the outskirts of the insurance business until these laws are dropped, possibly in 1997 when the Canadian Bank Act is reviewed, he said.

In the meantime, like many Canadian banks and their American counterparts, TDB is selling only "sponsored" insurance products that are actually underwritten by insurance companies. The banks may receive a commission on the business or, like CIBC, it may actually reinsure the business.

"By preventing banks from selling from their branches as well as prohibiting target-marketing, regulations now eliminate the two means by which banks can successfully sell insurance," said Kevin Wright, an adviser with the Canadian Banking Assn. "Most banks are involved in insurance but not as actual underwriters."

But Mr. Wright said insurers fought hard in 1992 when the Canadian Bank Act was last rewritten, and they will likely join forces to lobby against banks when the act is revisited in 1997. "The insurance lobby against allowing banks is strong," he said. "Agents see banks as a threat to their domain and this argument will come up again."

Ms. Robinson of Groulx said independent Canadian agents and brokers will suffer if banks move further into underwriting insurance. "We'll lose business and

Continued on next page

Fraud

Continued from previous page

inflated claims. Forty-three of the accused have already pleaded guilty.

Claims fraud gave eight members of the Kallao family the No. 6 spot on the list. The Kallaos went from town to town, primarily in the Midwest, staging phony slip-and-fall accidents, which were followed by insurance claims. The Kallaos, aided by three other people, skimmed about $1 million before they were caught. They have since been sentenced to two to four years in prison apiece under federal racketeering laws.

No. 7 was the unlucky number assigned to the case of 107 people caught in a claims fraud sting operation carried out by the New Jersey Department of Insurance. The Insurance Department's fraud division staged phony bus accidents and snared "ghostriders," who hopped on a bus after an accident and claimed injury, as well as 10 physicians and chiropractors and four lawyers who aided in the fraud. The amount of damage caused by the perpetrators is unknown.

An unlicensed insurer—First Assurance & Casualty Co. Ltd.—took the eighth spot in a case of insurer fraud. The company sold insurance in California but lacked the assets to cover $2.5 million in claims stemming from the 1992 Los Angeles riots. The company was barred from doing business in the Golden State and in Texas, where it maintained its offices. It is currently suing regulators for the right to resume business.

Insurer fraud earned Rubell Helm Insurance Services Inc. the No. 9 spot. The California firm marketed itself as one of the country's leaders in designing and administering self-funded health and life plans for small companies. But its officers used premiums collected to pay for luxury vacations, houses and cars. Its officers were indicted in 1993 and its chairman pleaded guilty to fraud charges. More than $10 million in claims remains to be paid.

Rounding out the Top 10 is a case of claims fraud that cost about $1 million. Gaven M. Cooke "made a career out of being accident-prone," the coalition's citation reads. He used more than 20 aliases to collect money from fake auto accidents in several states.

He bragged of his achievements on tabloid television shows before being charged with felony theft in Colorado last November. He is currently at large.

Mr. Jay says the list has drawn positive reaction from law enforcement officials, who have called and asked for additional information on these cases and others. He said the coalition welcomes the requests, for part of its mission is to function as a clearinghouse for insurance fraud information.

Another part of its mission is to lobby for tougher laws against insurance fraud on Capitol Hill and in the statehouses.

"We don't want to get lost in the shuffle with all the talk about violent crime," said Mr. Jay.

States have asked for help from the coalition in drafting anti-fraud bills, he said.

The coalition is finishing up drafting a comprehensive list of model laws, which will be presented to the organization's board next month.

The coalition is also promoting the creation of more state fraud bureaus to deal with insurance crime.

Mr. Jay said the coalition hasn't heard from anyone who made the Top 10 list, which he promises will be an annual event.

"We've already started making out the list for 1994," he said.

For more information, write to: The Coalition Against Insurance Fraud, 1511 K St. N.W., Suite 622, Washington, D.C. 20005. BI

FROM NTC BUSINESS BOOKS

MARKETING BESTSELLERS



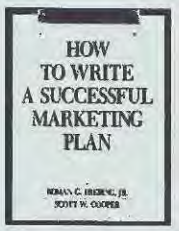
Integrated Marketing Communications
Don E. Schultz & Stanley I. Tannenbaum, *Northwestern University &* ***Robert Lauterborn,*** *University of North Carolina*

For anyone looking to reach today's consumer by integrating marketing and communications vehicles, advice straight from the leaders in this new industry. **#BI3363-3, $37.95**

Also Available...

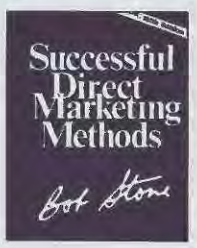
- **From Advertising to Integrated Marketing Communications Video #BI3499-0, $59.95**

SAVE $17.95 on Package: Book and Video #BI3499-X, $79.95



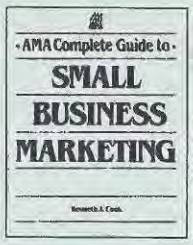
How to Write a Successful Marketing Plan
Roman G. Hiebing, Jr. & Scott W. Cooper *The Hiebing Group*

Everything you need to develop a disciplined, comprehensive, "real world" marketing plan that defines your objectives. **#BI3197-5, $79.95**



Successful Direct Marketing Methods New! Fifth Edition
Bob Stone, Chairman Emeritus, Stone & Adler, Inc.

The book that started the revolution–now in a brand new edition that includes database marketing, retail and business-to-business marketing, and direct marketing's role in integrated communications. **#BI3510-5, $39.95**



AMA Complete Guide to Small Business Marketing
Kenneth J. Cook, President, General Business Consultants; Co-published with the American Marketing Association

Here's all the marketing help small business entrepreneurs need to identify, analyze, and rate target markets. **#BI3590-3, $29.95**



New Product Development, Second Edition
George Gruenwald, Former CEO, Campbell-Mithun

Covers every step of the new product process: research and planning, development, managing a major introduction, and more. **#BI3352-8, $39.95**

Also Available...

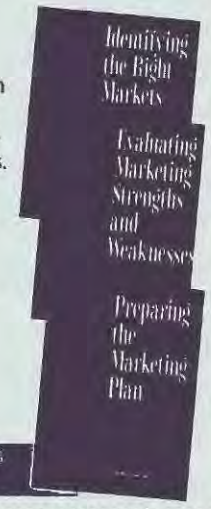
- **New Product Development Checklists #BI3217-3, $19.95**
- **New Product Development Video #BI3350-1, $59.95**

SAVE $31.90 on Set: Book, Checklist, Video #BI3351-X, $87.95

From the American Marketing Association
The AMA Marketing Toolbox
David Parmerlee, Marketing Consultant

Unique tools for creating marketing documents in a fraction of the time they would otherwise take. Outlines, checklists, and formats can be completed, customized, or revised to suit your own needs.

- **Identifying the Right Markets #BI3576-8, $19.95**
- **Selecting the Right Products and Services #BI3577-6, $19.95**
- **Evaluating Marketing Strengths and Weaknesses #BI3578-4, $24.95**
- **Developing Successful Marketing Strategies #BI3580-6, $19.95**
- **Preparing the Marketing Plan #BI3579-2, $19.95**



SAVE $20.95 on Complete Toolbox: 1 each of the 5 books above. #BI3576-X, $83.80

For Faster Service...FAX: 708-679-2494
Phone your Order: 1-800-323-4900 (or 708-679-5500)

❑ Payment Enclosed ❑ VISA ❑ MasterCard
❑ American Express ❑ Discover Card

Account No. Exp. Date

Signature

Name Title

Company

Address

City, State, Zipcode

Phone No. (include area code)

Qty	Title	Code	Price	Ext.
	Integrated Marketing Communications			
	Book	BI3363-3	$37.95	
	Video	BI3499-0	$59.95	
	SAVE $17.95 ON SET	BI3499-X	$79.95	
	How to Write a Successful Marketing Plan	BI3197-5	$79.95	
	Successful Direct Marketing Methods	BI3510-5	$39.95	
	AMA Complete Guide to Small Business Marketing	BI3590-3	$29.95	
	New Product Development			
	Book	BI3352-8	$39.95	
	Checklists	BI3217-3	$19.95	
	Video	BI3350-1	$59.95	
	SAVE $31.90 ON SET	BI3351-X	$87.95	
	The AMA Marketing Toolbox:			
	Identifying the Right Markets	BI3576-8	$19.95	
	Selecting the Right Products and Services	BI3577-6	$19.95	
	Evaluating Marketing Strengths and Weaknesses	BI3578-4	$24.95	
	Developing Successful Marketing Strategies	BI3580-6	$19.95	
	Preparing the Marketing Plan	BI3579-2	$19.95	
	SAVE $20.95 ON COMPLETE SET	BI3576-X	$83.80	

Add $2.00 postage & handling for the first book and $1.00 for each additional book.

Subtotal
Postage and handling
Sales Tax IL & CA Only
Grand Total

NTC Business Books
a division of *NTC Publishing Group*
4255 West Touhy Avenue • Lincolnwood, IL 60646-1975
1-800-323-4900 or 1-708-679-5500 • FAX: 1-708-679-2494

AD0497/BI

Canada

Continued from previous page

commissions for sure, as well as staff. Our market share will fall because the banks will take much of their client base."

Banks will not be able to provide the same level of service as do agents and brokers, but because they'll likely sell products cheaper than insurers, some policyholders will switch, Ms. Robinson said.

"There's no way banks can service clients like we do. They'll basically be direct writers. We're licensed, we take courses on insurance and we're always involved in continuing education. Banks will go for price, just like what happened in Quebec a few years ago when deregulation allowed the Caisse Populaire to write insurance. They sold it entirely on price," she said.

About three years ago, Caisse Populaire, a provincial credit union, began selling insurance at very low prices. But customers who went to Caisse Populaire because of price returned to their insurance agents and brokers for the service they offered.

Les Moon, president of Cambridge Insurance Brokers Ltd., a brokerage with $35 million Canadian ($26.4 million) in revenues that has eight British Columbia offices, said Canadian agents and brokers get ready to compete with banks.

"They're coming, and we need to improve on our service to compete. Banks may not be heavy competition now, but CIBC just bought an insurance company and these banks have the computer systems and customer base to go after business," he said.

Mr. Moon conceded that banks will be able to sway a certain percentage of agency customers simply because the banks carry the customers' home mortgages and automobile loans. "A percentage will go. Our goal is to keep that percentage to a minimum. My thinking is that about 20% to 25% will switch, and they'll be mostly new home buyers whose mortgage is held by the bank," he said.

One thing working in the favor of agents and brokers, according to Mr. Moon, is that the Canadian banking industry is dominated by a handful of big, powerful banks "that aren't real popular with Canadians because they have all the money and dictate terms. There's not as much competition here as in the U.S."

Agents, brokers and traditional insurers must improve service and offer more flexible products if they want to compete with banks, Mr. Moon said. "I don't believe banks can offer 24-hour claims service 365 days a year. We need to do this. We have to stay close to the client and hopefully our companies will look to improve products, particularly by offering monthly premium payment plans and policies that don't automatically expire."

Stephen Kearley, president of Bruce Benson Insurance Brokers, an agency with $4 million Canadian ($3 million) in revenues in Newmarket, Ontario, outside Toronto, fears that banks will hit the insurance market with products priced so low that potential buyers will be hard-pressed to say no.

"Banks will be unfair competition," Mr. Kearley said. "Their profits are so great that they'll be able to sell at a loss for a few years before having to answer to shareholders. Banks don't have a very good reputation to begin with. They're notorious for strong-arming clients until they're at the banks' mercy. So, to get insurance clients that don't want to deal with banks anyway, they'll low-ball the product."

In response, agents and brokers will have to work with insurers to achieve economies of scale to compete with banks, he said.

"As brokers, we need the power of the pen and computer integration with insurers. Companies and brokers that are not on-line will be left out in the cold" when banks begin writing insurance at full force.

Beyond that, "we'll have to educate our clients about what we can do for them and that goes beyond just bad-mouthing the competition," Mr. Kearley said.

But other observers say agents and brokers' fears are premature because Canadian banks are just starting to move into selling insurance.

"Banks are only in the early stages of writing insurance," said Dan Richards, president of Marketing Solutions, a Toronto-based financial services consultant. "The most a bank can really do now is lay a foundation for a better future, and that's assuming that banks can eventually sell from branch offices. If that doesn't happen, the banks' role in insurance will remain limited."

Mr. Lacey agreed that CIBC is just getting its feet wet in insurance.

"Accidental life is only an initial product that will help us convert banking customers into insurance customers. We need to know our products and perfect our operating systems and customer service before branch volume comes up. We're not totally disappointed that we still have time before branches will be allowed to sell insurance," he said.

Meanwhile, two other major banks are saying that for now, corporate policy and regulatory restrictions will keep them out of writing property/casualty insurance.

"We are very disappointed that we are not allowed to offer our customers traditional property and casualty and life products along with the best of the insurance industry," said Chris Markwell, president and CEO of RBC Insurance Holdings Inc., the insurance unit of Royal Bank of Canada. Were it not for tight marketing restrictions, Royal Bank might pursue insurance underwriting more aggressively, he said.

And, the Bank of Montreal said insurance is simply a "strategy that we have not chosen to pursue. We can't be all things to all people," a spokeswoman said.

So, as 1994 begins, CIBC is embarking on the insurance course mostly alone.

"All the banks will eventually enter the insurance business, but at different times and in different ways," Mr. Lacey said. "We're charging ahead because we've decided that it will take a few years to establish a total financial services relationship with our customers. Regulations don't really allow us to do that now, but we can't wait until the banking regulations are changed."

And when CIBC does market insurance products, "They'll be aggressively priced, but priced for profit. We're not shooting to enter the market with a cheap product that will force us to raise prices later on."

Will Canadian citizens be willing to buy insurance from their bank?

Marketing Solutions' Mr. Richards, citing a recent study performed by the company, said Canadians might. "About 20% would consider buying auto or home insurance from their bank, and about 12% would consider buying life or health insurance from their bank. But considering it and doing it are different things," Mr. Richards said. BI



The Be
Counsel Y
Ever Gi

Professional Liability
For Lawyer
From Jamison Spe

When the best legal advice is required, call an attorney. When he calls you, be prepared with the best advice you can provide. Professional Liability Insurance from Jamison Special Risk, Inc.

For over half a century, the specialists at Jamison have provided comprehensive, competitive professional liability products, developed expressly to meet the challenging needs of lawyers. Financial stability and wide ranging coverages are just the tip of the iceberg.

As a facilities manager for a global insurance giant, JSR has the strength, expertise and professional coverages that your legal clients demand.

For more information, call Sean Pattwell at Jamison Special Risk, Inc. (201) 731-2092.

JSR
Jamison Special Risk, Inc.

300 Executive Drive
West Orange, New Jersey 07052

READER REPLY SERVICE

Agent/Broker Topics

To obtain free information on the products and services advertised, turn to our post-paid Reader Service Reply Card bound in this issue, or complete the coupon below and mail to:

BUSINESS INSURANCE
Reader Service Center
650 So. Clark St., 6th Floor
Chicago, IL 60605-1702

Issue of February 7

READER SERVICE #	ADVERTISER	PAGE #
—	Agent/Broker Topics	32B
100	Brownyard Group	32D
—	Business Insurance	32E, 32F
—	Home Insurance	32C
101	Jamison Special Risk Inc.	32H
—	NTC Publishing	32G

Business Insurance

FREE LITERATURE FOR READERS

Issue Date: FEBRUARY 7, 1994
Card Expiration: APRIL 4, 1994

All questions must be answered to process inquiries.
PLEASE CHECK ONE ITEM FOR EACH CATEGORY:

1. My organization is best described as:

A ☐ Mfg/Svcs
B ☐ Association
C ☐ Union
D ☐ Government
E ☐ Educational Inst
F ☐ Ins Agent
G ☐ Ins Broker
H ☐ Ins/Reins Co
I ☐ Actry/Consltt
J ☐ Attorney
K ☐ Adj/Apprs
L ☐ TPA
M ☐ Healthcare Inst
N ☐ Other _____

2. Number of employees:

1 ☐ 150 or less
2 ☐ 151 - 499
3 ☐ 500 - 999
4 ☐ 1,000 - 4,999
5 ☐ 5,000 or more
6 ☐ Unknown

3. My title is best defined as:

A ☐ Administrative Mgt
B ☐ Financial Mgt
C ☐ Risk Mgt
D ☐ Benefits Mgt
E ☐ Loss prevention Mgt
F ☐ Other _____

4. My purchasing involvement for the requested products is to:

1 ☐ recommend only
2 ☐ specify
3 ☐ approve

5. Do you now receive a personally addressed copy of Business Insurance?

A ☐ Yes
B ☐ No, so please send subscription info

Circle the numbers below that correspond to the companies listed on our Advertiser Index for the **February 7, 1994** issue. Cards with more than 20 items circled will not be processed. This card expires **April 4, 1994.**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40	41	42	43	44	45
46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70	71	72	73	74	75
76	77	78	79	80	81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100	101	102	103	104	105
106	107	108	109	110	111	112	113	114	115	116	117	118	119	120
121	122	123	124	125	126	127	128	129	130	131	132	133	134	135
136	137	138	139	140	141	142	143	144	145	146	147	148	149	150

Please print clearly

Name _____
Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Phone ( ) _____

Continued from previous page

Revenues

Total $1,200,000
Claims administration 100%
Claims revenue $1,200,000

Claims business by type

Flex compensation 25%
Health insurance 75%
Employees covered 3,000
Dependents covered 660

Claims business by volume

Administration claims paid $4,500,000

Clients

Administration 32

Staff

Total 7
Claims services 5

Claims services since: 1985.
Service area: New Jersey, North Carolina, Pennsylvania, Virginia.
Branch offices: Administrative offices in Coral Gables, Fla.
Claims subsidiaries: Claims Development Corp., Coral Gables, Fla.
Membership: SPBA.
Officers: Marshall H. Waren, president; Chris Harrison, vp/COO; Sandra Y. Waren, secretary/treasurer.
Contact: Chris Harrison, 800-723-2873.

Entrust Inc.

P.O. Box 441588, Houston, Texas 77244-1588; 713-368-7878; fax: 713-368-7827

Revenues

Total $1,060,260
Claims administration 95%
Other services 5%
Includes: cafeteria plan administration, subrogation collection
Claims revenue $1,039,910

Claims business by type

Flex compensation 3%
Health insurance 80%
Employees covered 8,000
Dependents covered 11,000
Life 3%
Workers compensation 14%

Claims business by volume

Administration claims paid $17,318,944

Clients

Administration 85

Staff

Total 31
Claims services 29

Claims services since: 1990.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Edward A. Jacobson, president; William A. O'Keefe, COO.
Contact: Edward A. Jacobson or Keith Crane.

Extended Benefits Inc.

171 Franklin Turnpike, Waldwick, N.J. 07463; 201-652-5400; fax: 201-652-0356

Revenues

Claims administration 90%
Other services 10%

Claims business by type

Flex compensation 5%
Health insurance 95%
Employees covered 13,000

Claims business by volume

Administration claims paid $28,900,000

Clients

Administration 90

Staff

Total 40
Claims services 40

Claims services since: 1986.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Joseph E. Healy, president/CEO; Sharon O'Brien, vp; Diane Perricelli, director-sales.
Contact: Betsy G. Stein, marketing.

F

J.P. Farley Corp.

24600 Center Ridge Road, Suite 425, Westlake, Ohio 44145; 216-871-6800; fax: 216-871-1159

Revenues

Total $1,700,000
Claims administration 64.6%
Other services 35.4%
Includes: consulting, utilization review, flexible spending accounts, individual health insurance, pensions, fully insured products
Claims revenue $1,100,000

Claims business by type

Disability 5%
Flex compensation 5%
Health insurance 90%
Employees covered 10,299

Claims business by volume

Administration claims paid $1,774,668

Clients

Administration 31

Staff

Total 34

Claims services since: 1984.
Service area: Nationwide.
Membership: SPBA.
Officers: J.P. Farley, president; Tricia Hannigan-Farley, vp; Dave Wolfe, controller; Robert Tupka, marketing director; Scott Mancini, sales representative.
Contact: Beth Whelan.

Fidelity Administrators Inc.

5601 Bridge St., P.O. Box 1539, Fort Worth, Texas 76101; 817-446-1891; fax: 817-496-3041

Continued on page 35

Become a Certified Employee Benefit Specialist

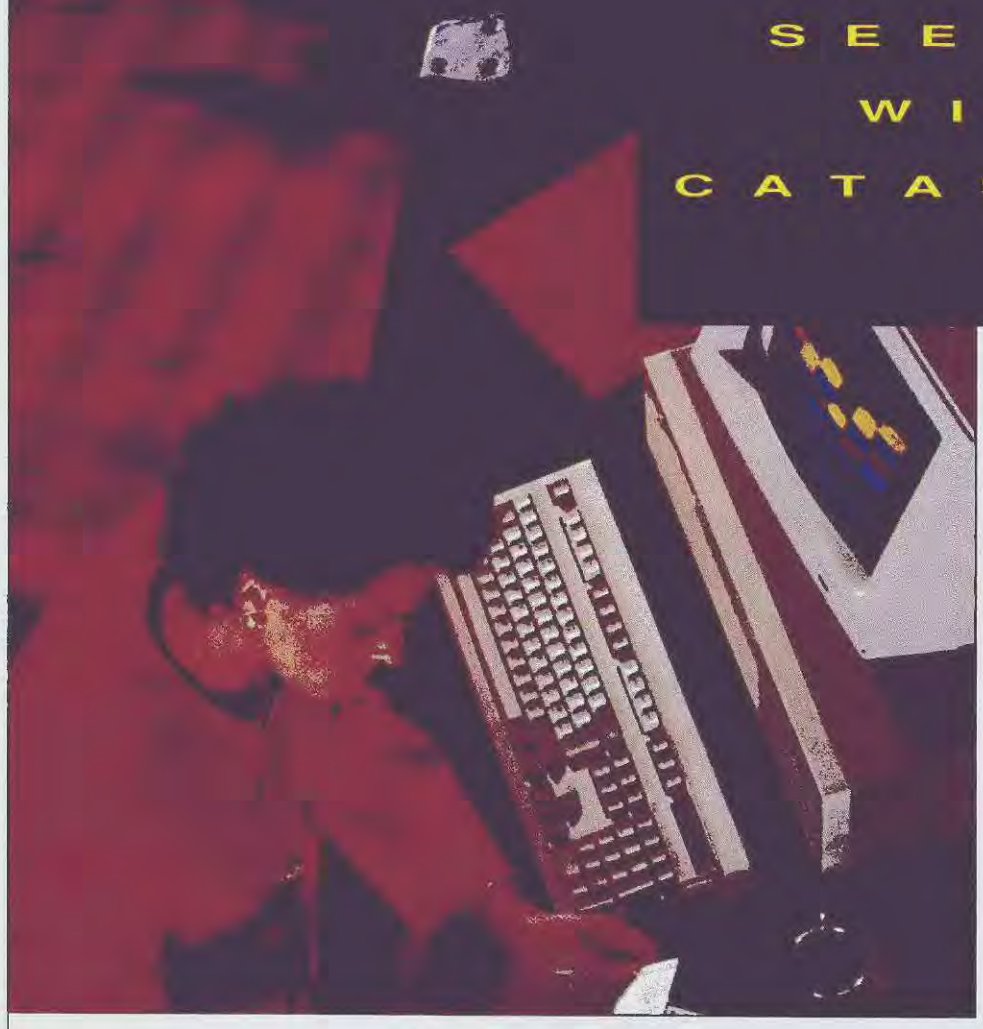
The Certified Employee Benefit Specialist (CEBS) program offers a combination of essential knowledge, peer recognition and the right to use the most highly respected credential in the benefits industry.

Nearly 5,000 benefit professionals have enhanced their careers by attaining the status of CEBS. Thousands more are currently pursuing the designation.

No other program offers these benefits!

Send for a free catalog. Call, write or fax the CEBS Department:

International Foundation of Employee Benefit Plans
18700 W. Bluemound Rd., P.O. Box 1270
Brookfield, WI 53008-1270
Telephone (414) 786-6700
Fax (414) 786-6647



SEE CRISIS WITHOUT CATASTROPHE.

OUR ADVANCED CLAIMS MANAGEMENT CONTROLS CRISIS BEFORE IT HAPPENS. As an innovative manager of your liability claims, we limit your overall cost of risk. Plans in place, we are set to harness emergencies as well. We master a crisis before it starts.

WE HAVE QUICK ACCESS TO ALL YOUR INFORMATION. Whatever data is necessary for financial management, we'll report up-to-the-minute numbers primary to your decision-making. Our sophistication allows us to respond to your needs in analyzing and communicating your strategic progress.



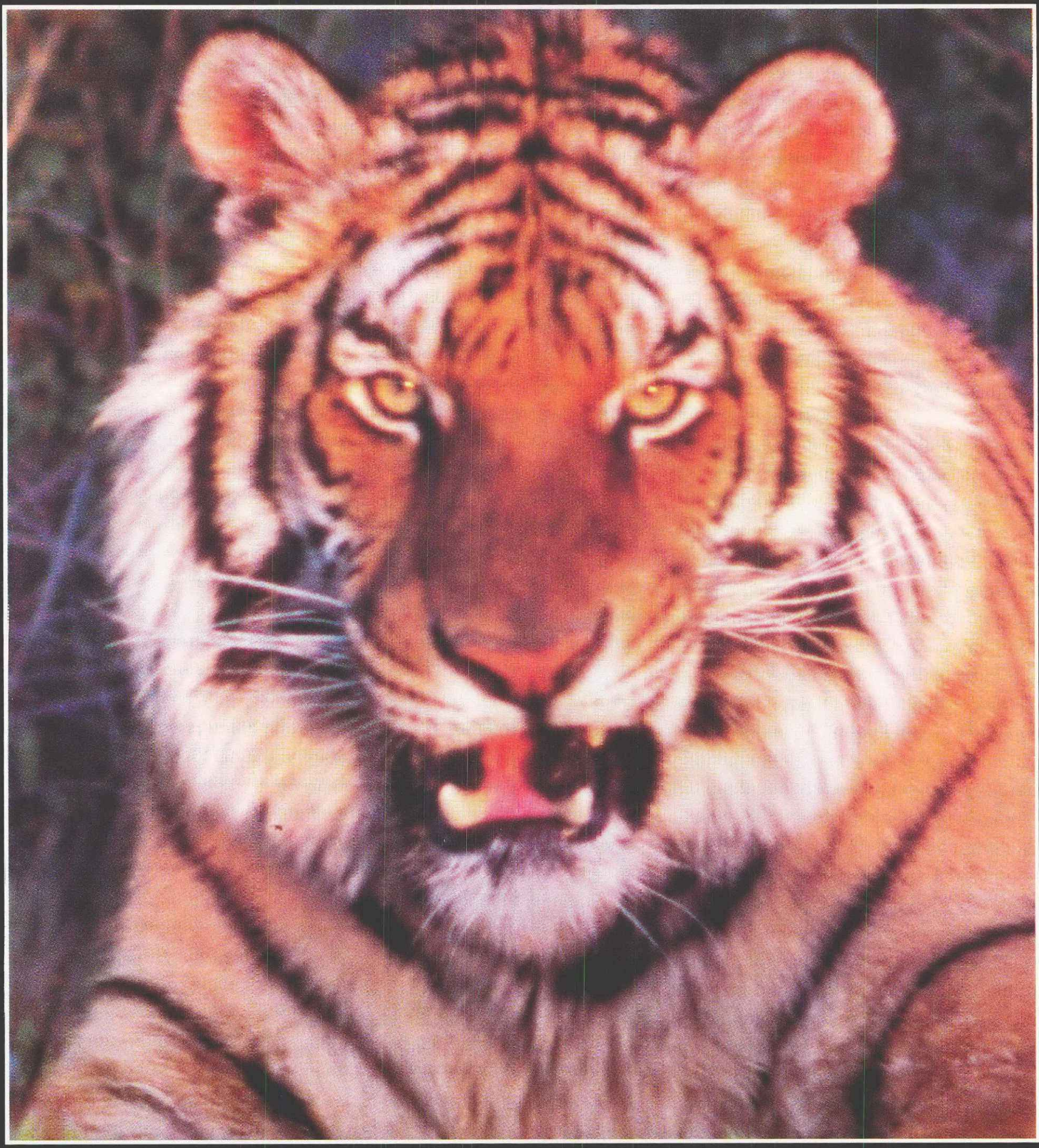
WE CONTAIN LITIGATION COSTS. We are quick to manage files in the most cost-effective manner, directing counsel toward resolutions that are consistent with your goals.

WE LEAD WITH AN EYE ON YOUR BOTTOM LINE. Fifty years forward from 1944 to 1994, CARL WARREN & CO., is *the* quality-driven alternative. For a brochure, please call Michael Dekema today.

1 800 854-1587

CARL WARREN & CO.
LIABILITY CLAIMS MANAGEMENT
AN EMPLOYEE-OWNED CORPORATION

FIFTY YEARS FORWARD
1944 — 1994



We calmly await your most beastly challenge.

SRRF LDG MRU

LDG REINSURANCE UNDERWRITERS INCORPORATED
SRRF MANAGEMENT INCORPORATED
MEDICAL REINSURANCE UNDERWRITERS INCORPORATED

Wakefield, Mass., (617) 245-2220 • Minneapolis, Minn., (612) 927-0808 • Roswell, Ga., (404) 640-1539 • New York, N.Y., (212) 809-7500
Philadelphia, Pa., (215) 563-2365 • Overland Park, Kan., (913) 338-3574 • Portland, Me., (207) 874-9777 • London, England, 011 4471 626 6001

The Lockwood Companies

Continued from previous page

Revenues	
Claims administration	100%
Claims business by type	
Health insurance	100%
Employees covered	25,000
Claims business by volume	
Administration claims paid	$150,000
Clients	
Administration	5
Staff	
Total	30

Claims services since: 1993.
Service area: Southwest.
Membership: SPBA.
Officers: Ericson Berg, president; E. Scott Elphingstone, secretary/treasurer; Steven Kirwan, senior vp; Carol Heikkinen, Kevin Terry, vps.
Contact: Kevin Terry.

Financial Insurance Agency Inc.

400 E. Diehl Road, Naperville, Ill. 60563-1358; 708-505-8000; fax: 708-505-8055

Revenues	
Total	$1,000,000
Claims administration	90%
Other services	10%
Includes: flexible benefits administration, insurance placement	
Claims revenue	$800,000
Claims business by type	
Flex compensation	5%
Health insurance	95%
Claims business by volume	
Administration claims paid	$20,000,000
Staff	
Total	18
Claims services	10

Claims services since: 1991.
Service area: Nationwide.
Branch offices: Sales offices in West Frankfort, Ill.
Membership: SPBA, SIIA.
Officers: Michael LeVault, CEO; Robert Peele, chairman; Ron Anfenson, executive vp.
Contact: Michael LeVault.

First American Administrators

529 Kansas City St., Suite 200, P.O. Box 8150, Rapid City, S.D. 57709-8150; 605-343-2509; fax: 605-343-8887

Revenues	
Total	$900,000
Claims administration	80%
Other services	20%
Includes: Section 125 claims administration, insurance sales	
Claims revenue	$710,000
Claims business by type	
Flex compensation	5%
Health insurance	95%
Employees covered	12,000
Dependents covered	20,000
Claims business by volume	
Administration claims paid	$28,500,000
Clients	
Administration	33
Staff	
Total	21
Claims services	21

Claims services since: 1983.
Service area: Nationwide.
Branch offices: Sales offices in Sioux Falls, S.D.
Membership: SPBA.
Officers: Joe Dobbs, president/owner; Cheryl Trulson, administrative manager; Nancy Crist, claims manager.
Contact: Joe Dobbs.

First Health Strategies Inc.

6975 Union Park Center, Suite 600, Salt Lake City, Utah 84047; 801-568-5500; fax: 801-568-5652

Revenues	
Total	$166,000,000
Claims administration	81.3%
Other services	18.7%
Includes: utilization review services	
Claims revenue	$135,000,000
Claims business by type	
Disability	0.4%
Flex compensation	3.3%
Health insurance	96.3%
Employees covered	1,360,000
Dependents covered	2,200,000
Claims business by volume	
Administration claims paid	$3,040,138,000
Clients	
Administration	1,205
Staff	
Total	2,800
Claims services	2,800

Claims services since: 1960.
Parent: FFMC.
Service area: Nationwide.
Branch offices: Administrative offices in: Atlanta; Baltimore; Boise, Idaho; Detroit; Houston; Los Angeles; Milwaukee; Minneapolis; Pascagoula, Miss.; Phoenix; Pittsburgh. Sales offices in: Atlanta; Baltimore; Boise, Idaho; Boston; Cincinnati; Dallas; Denver; Houston; Los Angeles and Santa Ana, Calif.; Milwaukee; Orlando, Fla.; Philadelphia; Phoenix; Portland, Ore.; St. Louis.
Membership: SPBA, SIIA, IFEBP.
Officers: Terry Nofsinger, president/CEO; George Dreisbach, executive vp-sales/marketing; Ted White, executive vp/COO; Dennis Bayes, senior vp/CFO; Dave Money, senior vp/general counsel.
Contact: Robert Stevens, manager-marketing services, 801-568-5622.

Flex Corp.

5700 Northwest Central Drive, Houston, Texas 77092; 713-460-4850; fax: 713-460-0361

Revenues	
Total	$1,497,000
Claims administration	74%
Other services	26%
Includes: flexible benefit plan consulting, administration and enrollment	
Claims revenue	$1,113,000
Claims business by type	
Flex compensation	60%
Health insurance	35%
Claims business by volume	
Administration claims paid*	$5,419,573
Clients	
Administration	100
Staff	
Total	23
Claims services	10

** Figure does not include claims paid for flexible benefit programs.*

Claims services since: 1986.
Parent: The Hand Group of Cos.
Service area: Nationwide.
Membership: SIIA.
Officers: W. David Hand, president; Stephen Mueller, senior vp; Ellen Hickmon, vp-administration; Mary Michalsky, claims manager; Theresa La Rock, account executive.
Contact: Theresa La Rock.

Florida 1st Service Administrators Inc.

1201 First St. S.W., Suite A, Winter Haven, Fla. 33880; 813-293-0785; fax: 813-297-9095

Revenues	
Total	$4,813,000
Claims administration	92%
Other services	8%
Includes: utilization management, flex compensation administration, PPOs	
Claims revenue	$4,409,000
Claims business by type	
Flex compensation	3%
Health insurance	97%
Employees covered	36,374
Dependents covered	63,082
Claims business by volume	
Administration claims paid	$130,400,000
Clients	
Administration	18
Staff	
Total	103

Claims services since: 1988.
Service area: Southeast.
Branch offices: Administrative offices in Clearwater, Fla.
Membership: SIIA.
Officers: Jack Bradley, president; Carrie Hill, vp-operations; Maggie Thwing, vp-provider relations/marketing; James D. Morgan, vp-medical services; Patricia Vickers, vp-finance/MIS; Mike Renk, vp-administration.

Foundation Health Preferred Administrators

3040 Gold Canal Drive, Rancho Cordova, Calif. 95670; 916-631-3300; fax: 916-631-3369

Revenues	
Total	$7,000,000
Claims administration	70%
Other services	30%
Includes: IPA claims, utilization review administration	
Claims revenue	$5,000,000
Claims business by type	
Flex compensation	5%
Health insurance	95%
Claims business by volume	
Administration claims paid	$107,000,000
Clients	
Administration	30
Staff	
Total	102
Claims services	56

Claims services since: 1984.
Parent: Foundation Health Corp.
Service area: West and Southwest.
Branch offices: Administrative offices in Palo Alto and Stockton, Calif. Sales offices in Fresno, Long Beach, Sacramento, San Bernardino, San Francisco and Stockton, Calif.
Officers: Scott R. Kelly, president/COO; Randy Frakes, vp-operations; Edna Booth, director-IPA management; Dr. Larry A. William, medical director; Armando Bautista, CFO.
Contact: Director of sales.

Fox Everett Inc.

P.O. Box 188, Jackson, Miss. 39205; 601-981-6000; fax: 601-981-9243

Revenues	
Total	$1,900,000
Claims administration	79%
Other	21%
Claims revenue	$1,500,000
Claims business by type	
Disability	2%
Health insurance	98%
Claims business by volume	
Administration claims paid	$45,000,000
Clients	
Administration	41
Staff	
Total	76
Claims services	25

Claims services since: 1965.
Service area: Nationwide.
Branch offices: Sales offices in Gulfport, Miss.
Membership: SIIA.
Officers: Carl J. Bush, president; John Anderson Jr., executive vp; W.E. Kinchen, vp-administration; William H. Mathison, vp; C. Larry Vance, vp-finance.
Contact: Robert B. Smith or C. Larry Vance.

Fringe Benefit Services Inc.

7000 N. Broadway, Suite 106, Denver, Colo. 80221; 303-426-4984; fax: 303-429-1359

Revenues	
Total	$1,500,000
Claims administration	45%
Claims adjusting	40%
Claims auditing	15%
Claims revenue	$1,500,000
Claims business by type	
Flex compensation	5%
Health insurance	85%
Employees covered	34,000
Dependents covered	64,000
Pensions	5%
Other	5%
Includes: COBRA billing and collections	
Clients	
Administration	7
Adjusting	4
Staff	
Total	31
Claims services	26

Claims services since: 1972.
Service area: Colorado, Iowa, Kansas, New Mexico.
Membership: SPBA.
Officers: Mabel LaChappel, president; Harry Auston, executive vp.
Contact: Harry Auston.

G

Genelco Inc.

1600 S. Brentwood Blvd., St. Louis, Mo. 63144-1330; 314-962-2040; fax: 314-968-9589

Revenues	
Total	$20,200,000
Claims administration	100%
Claims business by type	
Disability	5%
Flex compensation	2%
Health insurance	93%
Employees covered	125,000
Dependents covered	312,000
Claims business by volume	
Administration claims paid	$182,700,822
Clients	
Administration	50
Staff	
Total	205
Claims services	121

Claims services since: 1973.
Parent: General American Life Insurance Co.
Service area: Nationwide.
Branch offices: Sales offices in Atlanta; Dallas; Hartford, Conn.; Salisbury, N.C.
Membership: SPBA, SIIA.
Officers: David B. Johnson, president/CEO; Russell E. Korte, executive vp/treasurer; David K. Garver, vp-TPA services; Larry M. Amundsen, vp-software sales.
Contact: David K. Garver, 314-963-8201.

Gilsbar Inc.

P.O. Box 998, Covington, La. 70434; 504-892-3520; fax: 504-898-1500

Revenues	
Claims administration	45%
Other services	55%
Includes: fully insured claims administration, health insurance, property/casualty insurance and services, general agency.	
Claims business by type	
Disability	2%
Health insurance	98%
Employees covered	37,000
Dependents covered	70,000
Claims business by volume	
Administration claims paid	$80,000,000
Clients	
Administration	94
Staff	
Total	180

Claims services since: 1959.
Service area: Alabama, Louisiana, Mississippi, Texas.
Membership: SPBA, SIIA, IFEBP.
Officers: Henry J. Miltenberger Jr., president; W. Robert Ellis, senior vp; Fritz B. Ziegler, senior vp/general counsel; Curt W. Keay, vp/CFO; Joseph A. Luquet, vp.
Contact: Joseph A. Luquet.

Godwins Booke & Dickenson

P.O. Box 66, Winston-Salem, N.C. 27102; 910-748-1120; fax: 910-725-9824

Revenues	
Claims administration	2%
Other services	98%
Includes: compensation and employee benefit consulting/administration	
Claims business by type	
Disability	4%
Flex compensation	35%
Health insurance	61%
Employees covered	33,000
Dependents covered	22,000
Claims business by volume	
Administration claims paid	$45,000,000
Auditing projects conducted	20
Clients	
Administration	43
Adjusting	4
Auditing	20
Staff	
Total	1,200
Claims services	40

Claims services since: 1973.
Parent: Aon Corp.
Service area: Nationwide.
Branch offices: Sales offices in 35 locations, including Chicago; Clearwater, Fla.; San Francisco; Conshohocken, Pa.; New York.
Membership: SPBA.
Officers: Donald C. Ingram, chairman; Joseph J. Stahl II, vice chairman; Roger L. Vaughn, executive vp; Michael J. Reynolds, Paul G. Chicos, Robert W. Ryan, executive vps.
Contact: Joseph L. Lineberry Jr.

Group Administrators Inc.

4673 Highway 280 E., Suite 111, Birmingham, Ala. 35243; 205-995-2640; fax: 205-995-2641

Revenues	
Total	NA
Claims administration	100%
Claims revenue	$600,000
Claims business by type	
Disability	1%
Flex compensation	4%
Health insurance	95%
Employees covered	3,500
Dependents covered	3,500
Claims business by volume	
Administration claims paid	$1,000,000
Clients	
Administration	35
Staff	
Total	17
Claims services	6

Claims services since: 1986.
Service area: Alabama, Georgia, Tennessee.
Membership: SPBA, SIIA.
Officers: Mike McKinnis, president.

Group Benefit Administrators Inc.

229 Seventh St., Garden City, N.Y. 11530; 516-739-1060; fax: 516-739-1066

Revenues	
Claims administration	50%
Other services	50%
Includes: fully insured claims payment	
Claims business by type	
Health insurance	100%
Employees covered	30,000
Dependents covered	20,000
Staff	
Total	40
Claims services	20

Claims services since: 1972.
Service area: Nationwide.
Membership: SPBA.
Officers: Sam Trapani, president; Gary Greis, Kathleen Harrington, vps.

Group Claims Administrators Inc., Global Benefits

1030 15th St. N.W., Washington, D.C. 20005; 202-898-0944; fax: 202-842-2044

Revenues	
Total	$14,500,000
Claims administration	63%
Other services	37%
Includes: fully insured claims services, student medical	
Claims business by type	
Health insurance	100%
Employees covered	18,447
Dependents covered	6,021
Claims business by volume	
Administration claims paid*	$8,977,642
Clients	
Administration	27
Staff	
Total	16
Claims services	9

** Claims paid from January through October, 1993.*

Claims services since: 1976.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: L.E. Fitzgerald, president; P. Broome, vp.

Group Services & Administration Inc.

3113 Classen, Oklahoma City, Okla. 73118; 405-528-4400; fax: 405-528-5558

Revenues	
Claims administration	95%
Other services	5%
Claims business by type	
Disability	5%
Health insurance	95%
Employees covered	7,830
Dependents covered	17,200
Claims business by volume	
Administration claims paid	$9,132,000
Clients	
Administration	41
Staff	
Total	12
Claims services	12

Claims services since: 1980.
Service area: Nationwide.
Officers: Ronald R. Stephenson, president; Gary Stephenson, vp; R. Denning Crowe, secretary/treasurer.

Gulf South Administrative Services Inc.

5615 Corporate Blvd., Suite 3, Baton Rouge, La. 70808; 504-927-7212

Revenues	
Total	$43,200,000
Claims administration	10%
Other services	90%
Includes: fully insured HMO	
Claims revenue	$1,900,000
Claims business by type	
Health insurance	100%
Employees covered	16,500
Dependents covered	20,000

Continued on next page

Continued from previous page

Claims business by volume

Administration claims paid	$48,600,000

Clients

Administration	28

Staff

Total	108
Claims services	28

Claims services since: 1986.
Parent: Gulf South Health Plans Inc.
Service area: Louisiana.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Patrick C. Powers, president; Dr. Jack W. Walker, executive vp/COO; Charles D. Calvi Jr., executive vp; Dr. Dwight Brower, vp/medical director.

H

HMS Preferred Health Choices Inc.

700 Locust St., Suite 230, Dubuque, Iowa 52003; 319-556-8070; fax: 319-556-5134

Revenues

Claims administration*	100%

Claims business by type

Health insurance*	100%

Staff

Total	40

** HMS Preferred Health Choices Inc. is a newly formed company. Figures are based on services offered, not on actual 1993 performance.*

Claims services since: 1993.
Parent: Health Management Services Inc.
Service area: Nationwide.
Membership: SIIA.
Officers: Lawrence E. Cremer, president; Terry Kane, director-marketing.
Contact: Terry Kane.

Harden & Co. Insurance Services Inc.

1800 Sutter St., Suite 400, Concord, Calif. 94520; 510-682-7707; fax: 510-676-9317

Revenues

Total	$3,600,000
Claims administration	36%
Other services	64%
Claims revenue	$1,225,000

Claims business by type

Health insurance	100%
Employees covered	18,000
Dependents covered	43,200

Claims business by volume

Administration claims paid	$19,150,000

Clients

Administration	45

Staff

Total	52
Claims services	15

Claims services since: 1974.
Parent: Anchor Pacific Group.
Service area: Nationwide.
Membership: SPBA.
Officers: James R. Dunathan, president/CEO; Earl Wiklund, COO/CFO; Lynn Boyd, Ray Petersen, vps; Cora Penning, vp-claims.
Contact: Earl Wiklund.

Health Benefits Administrators Inc.

109 E. Jarrettsville Road, Suite 101, P.O. Box 179, Forest Hill, Md. 21050-0179; 410-893-1400 or 800-545-3206; fax: 410-638-2440

Revenues

Claims administration	82%
Other services	18%
Includes: Section 125 administration; health, life and disability insurance brokerage services	

Claims business by type

Disability	3%
Flex compensation	5%
Health insurance	90%
Employees covered	8,325
Dependents covered	11,300
Workers compensation	2%

Claims business by volume

Administration claims paid	$11,100,000

Clients

Administration	32

Staff

Total	11
Claims services	8

Claims services since: 1988.
Service area: Nationwide.
Branch offices: Sales offices in Goldsboro-Raleigh, N.C.
Membership: SIIA.
Officers: Thomas Jesse Buhite Sr., president/CEO; Thomas B. Burke, vp-southeast region; Barry V. Bowen, vp-northeast region.
Contact: T.J. Buhite Sr.

Health Care 2000 Inc.

660 Kenilworth Drive, Towson, Md. 21204; 410-296-8326; fax: 410-296-8363

Revenues

Claims administration	100%

Claims business by type

Health insurance	100%
Employees covered	30,000
Dependents covered	30,000

Clients

Administration	10

Staff

Total	30
Claims services	11

Claims services since: 1983.
Parent: Fidelity Health Systems.
Service area: Maryland.
Claims subsidiaries: Physicians Medical Group.
Officers: Mitchell Diamond, president; Lisa Johnson, regional manager.
Contact: Mitchell Diamond.

Health Care Administrators Inc.

8500 Keystone, Suite 450, Indianapolis, Ind. 46240; 317-254-0327; fax: 317-254-0173

Revenues

Total	$750,000
Claims administration	95%
Other services	5%
Includes: stop-loss products	
Claims revenue	$712,500

Claims business by type

Health insurance	100%
Employees covered	7,500
Dependents covered	9,500

Claims business by volume

Administration claims paid	$25,000,000

Clients

Administration	35

Staff

Total	14
Claims services	14

Claims services since: 1985.
Service area: Nationwide.
Branch offices: Administrative offices in Lafayette, Ind.
Membership: SPBA, SIIA, NAEBA.
Officers: Robert Whitsel, president; Tom Anderson, executive vp; Edmund W. Finley Jr., vp.
Contact: Edmund W. Finley Jr.

Health Care Pharmacy Providers Inc.

1220 Senlac Drive, Carrollton, Texas 75006; 214-446-4599; 214-446-4899

Revenues

Claims administration	90%
Other services	10%
Includes: outcomes management	

Claims business by type

Health insurance (pharmaceutical only)	100%
Employees covered	400,000
Dependents covered	600,000

Staff

Total	50

Claims services since: 1986.
Parent: Foxmeyer Inc.
Service area: Nationwide.
Branch offices: Sales offices in: Chicago; Jacksonville, Fla.; Phoenix; Washington.
Membership: SIIA.
Officers: Robert E. Davis, president; John H. Sattler, vp-sales/marketing; Shane Hofer, vp-information systems.
Contact: John H. Sattler.

Health Economics Corp.

5001 Spring Valley Road, Suite 1000E, Dallas, Texas, 75244; 214-789-6400; fax: 214-789-6412

Revenues

Total	$29,000,000
Claims administration	65%
Other services	35%
Includes: analytic services; utilization management; large case management; managed care plans; development, implementation and management of provider-sponsored health plans	
Claims revenue	$19,700,000

Claims business by type

Flex compensation	1%
Health insurance	94%
Employees covered	299,744
Dependents covered	509,559
Workers compensation	5%

Claims business by volume

Administration claims paid	$700,000,000

Clients

Administration	45

Staff

Total	484
Claims services	345

Claims services since: 1984.
Parent: Equifax Inc.
Service area: Nationwide.
Branch offices: Administrative offices in: Cedar Rapids, Iowa; Charleston, W.Va.; Duncan, Okla.; Houston and Irving, Texas. Sales offices in: Atlanta; Chicago; Houston.
Membership: SIIA, NAEBA.
Officers: Dick Herrmann, president/CEO; Parks Houser, senior vp-operations; Nancy Coleman, senior vp-health care administration; Larry Dotin, vp-managed care/corporate medical director; Tom Dubowski, vp/controller.
Contact: Barbara Mercer, marketing manager, 214-789-6444.

Health Plans Inc.

600 Mechanics Bank Tower, Worcester, Mass. 01608; 508-752-2480; fax: 508-754-9664

Revenues

Total	$2,500,000
Claims administration	50%
Other services	50%
Includes: fully insured claims administration and auditing, managed care services	
Claims revenue	$1,500,000

Claims business by type

Flex compensation	10%
Health insurance	90%
Employees covered	10,000

Claims business by volume

Administration claims paid	$9,000,000

Clients

Administration	60

Staff

Total	50
Claims services	30

Service area: Nationwide.
Branch offices: Sales offices in Boston.
Claims subsidiaries: Freedom Care-PPO.
Membership: SPBA, IFEBP.
Contact: Deborah Hodges, 617-268-1388.

Health Risk Management Inc.

8000 W. 78th St., Minneapolis, Minn. 55439; 612-829-3500; fax: 612-829-3578

Revenues*

Total	$40,871,000
Claims administration	30%
Other services	70%
Includes: PPO services, utilization review, case management, medical practice guidelines software	
Claims revenue	$11,711,000

Claims business by type

Disability	0.5%
Flex compensation	5%
Health insurance	94.5%
Employees covered	109,699
Dependents covered	162,149

Claims business by volume

Administration claims paid	$190,524,787

Clients

Administration	78

Staff

Total	714
Claims services	206

** Fiscal year ending 6/30/93.*

Claims services since: 1965.
Service area: Nationwide.
Branch offices: Administrative offices in Kalamazoo, Mich.
Membership: SPBA, SIIA.
Officers: Gary McIlroy, CEO; Marlene Travis, president/chief administrative officer; Tom Clark, senior vp/CFO; V. Katherine Gray, executive vp-market research/development; Charles Holland, president-HRM Claim Management Inc.
Contact: Suzanne Palo.

Healthsource Preferred Inc.

54 Regional Drive, P.O. Box 2041, Concord, N.H. 03302-2041; 800-531-4584; fax: 603-229-2978

Revenues

Total	$10,300,000
Claims administration	90%
Other services	10%
Includes: managed care and network management services	

Claims business by type

Health insurance	100%
Employees covered	15,592
Dependents covered	19,297

Claims business by volume

Administration claims paid	$32,000,000

Clients

Administration	8

Staff

Total	26

Claims services since: 1990.
Parent: Healthsource Inc.
Service area: Maine, Massachusetts, New Hampshire.
Membership: SIIA.
Officers: Norman C. Payson, president; Donna K. Lencki, CEO; Richard Salmon, treasurer; Robert Moses, secretary.
Contact: Paula Minnehan, marketing service administrator.

Heller Associates Inc.

2787 Bristol St., Costa Mesa, Calif. 92626; 714-549-7052

Revenues

Total	$2,000,000
Claims administration	95%
Other services	5%
Includes: managed care services	
Claims revenue	$1,900,000

Claims business by type

Disability	10%
Flex compensation	10%
Health insurance	80%
Employees covered	20,000
Dependents covered	20,000

Claims business by volume

Administration claims paid	$65,000,000

Clients

Administration	127

Staff

Total	36
Claims services	34

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Administrative and sales offices in: Chesterland, Ohio; Idaho Falls, Idaho; Las Vegas.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Frank Heller, CEO; Philip Steffensen, executive vp; Glen Ogden, president; Jerry Mitchell, John Bradford, regional vps; Teri Berry, assistant vp.
Contact: Glen Ogden, 216-729-1999.

Hospital Benefits Inc.

P.O. Box 16989, Jackson, Miss. 39236; 601-981-5741; fax: 601-362-5531

Revenues

Total	$375,000
Claims administration	100%
Claims revenue	$375,000

Claims business by type

Disability	8%
Health insurance	92%
Employees covered	5,500
Dependents covered	7,800

Claims business by volume

Administration claims paid	$14,400,000

Clients

Administration	48

Staff

Total	10
Claims services	10

Claims services since: 1976.
Service area: Alabama, Georgia, Louisiana, Mississippi.
Membership: SPBA.
Officers: Ralph Brewster, president; Scott Brewster, vp-sales/service; Barbara Williams, vp/claims manager; Vern Booth, vp/treasurer.
Contact: Ralph Brewster.

Human Resources Consulting Group Inc.

428 E. 6400 S., Suite 220, Salt Lake City, Utah 84107; 801-261-6555; fax: 801-261-6575

Revenues

Claims administration	70%
Claims adjusting	5%
Other services	25%
Includes: auditing by fee-for-service consulting, selection of administrators for clients	

Claims business by type

Flex compensation	75%
Health insurance	25%

Claims business by volume

Administration claims paid*	$5,360,000

Clients

Administration	162
Auditing	27

Staff

Total	45
Claims services	2

** Claims volume based on flexible benefit plan claims only.*

Claims services since: 1981.
Service area: Nationwide.
Branch offices: Sales offices in: Atlanta; Birmingham, Ala.; Boston; Jacksonville, Fla.; Los Angeles; Nashville, Tenn.; Tulsa, Okla.; Washington.
Membership: SIIA.
Officers: Rob J. Thurston, president; Jeffrey R. Jones, CEO; B. Richard Packham, Rob Joseph, vps.

I

Imperial Industries

101 S. First St., Burbank, Calif. 91502; 818-954-0900; fax: 818-567-4802

Revenues

Total	$3,800,000
Claims administration	46%
Other services	54%
Includes: billing, eligibility, trust administration, service, sales, COBRA	
Claims revenue	$1,800,000

Claims business by type

Health insurance	100%
Employees covered	17,000
Dependents covered	15,300

Claims business by volume

Administration claims paid	$22,200,000

Clients

Administration	9

Staff

Total	50
Claims services	16

Claims services since: 1948.
Service area: West, including California.
Branch offices: Sales offices in San Francisco.
Membership: SPBA, SIIA, IFEBP.
Officers: George D. Gazulis, chairman; Robert Jenkins, president; Marc Sollosy, executive vp; Jack Moore, vp-claims; Kathy Judd, vp-administration; Wayne Fong, vp-finance.

INDECS of Ebasco Inc.

160 Chubb Ave., Lyndhurst, N.J. 07071-3586; 201-460-6161; fax: 201-460-6400

Revenues

Total	$3,275,520
Claims administration	100%
Claims revenue	$3,275,520

Claims business by type

Disability	1%
Flex compensation	4%
Health insurance	95%
Employees covered	22,850
Dependents covered	57,125

Claims business by volume

Administration claims paid	$64,368,496

Clients

Administration	12

Staff

Total	50
Claims services	50

Claims services since: 1982.
Parent: Ebasco Services Inc.
Service area: Nationwide.
Branch offices: Administrative offices in New York.
Membership: SPBA, IFEBP.
Officers: Bruce E. Buchanan, president; Lee H. Cohen, vp; Douglas Cheppo, treasurer; Herbert M. Blum, secretary.
Contact: Bruce E. Buchanan.

Insurance Claims Auditing & Professional Services Inc.

P.O. Box 27107, Minneapolis, Minn. 55427; 612-529-8510; fax: 612-529-2026

Revenues

Claims auditing	100%

Claims business by type

Disability	5%
Health insurance	95%

Claims business by volume

Auditing projects conducted	25

Clients

Auditing	25

Staff

Total	7
Claims services	5

Claims services since: 1988.

Continued on next page

Continued from previous page

Service area: Nationwide.
Membership: SIIA, IFEBP.
Officers: Betty C. Clark, president; Gloria Flavin-Bauer, vp; Helen Fears, secretary/treasurer.

Insurance Design Administrators

3 Post Road, Oakland, N.J. 07436; 201-337-0555; fax: 201-337-1391

Revenues	
Total	$4,300,000
Claims administration	100%
Claims revenue	$4,300,000
Claims business by type	
Disability	2%
Flex compensation	3%
Health insurance	95%
Employees covered	35,336
Dependents covered	88,415
Claims business by volume	
Administration claims paid	$97,779,041
Clients	
Administration	135
Staff	
Total	75
Claims services	65

Claims services since: 1979.
Service area: Nationwide.
Branch offices: Sales offices in Philadelphia.
Membership: SPBA, SIIA.
Officers: Robert F. Gallo, CEO; Russell P. Minetti, president; Robert Ventrella; Paul Sabina; Trish Weber.
Contact: Russell Minetti.

Insurance & Risk Management

3811 Illinois Road, P.O. Box 1705, Fort Wayne, Ind. 46801; 219-436-1616; fax: 219-432-4083

Revenues	
Total	$13,000,000
Claims administration	15%
Other services	85%
Includes: Commercial property/casualty insurance products, safety engineering, qualified retirement plans, fully insured claims services, workers compensation claims services, health insurance sales	
Claims revenue	$1,900,000
Claims business by type	
Disability	5%
Flex compensation	10%
Health insurance	85%
Employees covered	20,500
Dependents covered	65,000
Claims business by volume	
Administration claims paid	$50,000,000
Clients	
Administration	85
Staff	
Total	180
Claims services	33

Claims services since: 1974.
Service area: Nationwide
Branch offices: Sales offices in Indianapolis, Muncie and Warsaw, Ind.; Defiance and Toledo, Ohio.
Membership: SIIA.
Officers: John A. Hettwer, president; David A. Stahl, vp; Rose F. Black, director-marketing.
Contact: Rose F. Black.

Insurdata/Insurnational

5215 N. O'Connor Blvd., 800 Central Tower, Irving, Texas, 75036; 214-869-2553; fax: 214-556-0572

Revenues	
Claims administration	50%
Other services	50%
Includes: facilities and nationwide network management, health claims system development and integration	
Claims business by type	
Flex compensation	1%
Health insurance	99%
Employees covered	250,000
Dependents covered	275,000
Claims business by volume	
Administration claims paid	$750,000,000

Claims services since: 1964.
Service area: Nationwide.
Claims subsidiaries: Insurnational Inc. of Arkansas, Little Rock, Ark.
Membership: SIIA.
Officers: Raymond C. Morrison Jr., president; Doug Freeman, vp-data processing; Jim Taylor, vp-finance/administration.

Insurers Administrative Corp.

10210 N. 25th Ave., Suite 300, Phoenix, Ariz. 85021-1605; 602-870-1400; fax: 602-395-0496

Revenues	
Total	$7,500,000
Claims administration	40%
Other services	60%
Includes: underwriting, marketing, fully insured claims administration, PPO management, utilization review	
Claims business by type	
Disability	3%
Flex compensation	5%
Health insurance	92%
Employees covered	30,000
Dependents covered	37,000
Claims business by volume	
Administration claims paid	$24,000,000
Clients	
Administration	71
Staff	
Total	161
Claims services	35

Claims services since: 1978.
Service area: Nationwide.
Membership: SIIA.
Officers: Stephen A. Wood, president; Scott M. Wood, executive vp; Joseph Ciarametaro, CFO; Michael D. Goe, vp-management/benefit plan services; Bruce Robbins, vp-information systems.
Contact: Stephen A. Wood.

Integrated Benefit Services Inc.

1630 S. Sixth St., Springfield, Ill. 62703; 217-522-3736; fax: 217-522-8838

Revenues	
Total	$1,000,000
Claims administration	83%
Other services	17%
Includes: utilization review	
Claims revenue	$830,000
Claims business by type	
Flex compensation	1%
Health insurance	99%
Employees covered	15,453
Dependents covered	17,230
Clients	
Administration	24
Staff	
Total	20

Claims services since: 1989.
Parent: VHA Great Rivers Hospital Assn.; Casper, Bartholf & Associates.
Service area: Illinois, Iowa, Missouri.
Membership: SPBA, NAEBA.
Officers: Ron Krause, chairman; Pete Casper, president; Stephen Bartholf, secretary/treasurer; Kathy J. Lewis, vp.
Contact: Kathy J. Lewis.

Intermountain Administrators Inc.

1719 Dearborn Ave., Missoula, Mont. 59801; 406-721-2222; fax: 406-721-2252

Revenues	
Total	$1,500,000
Claims administration	95%
Other services	5%
Includes: Section 125 administration	
Claims revenue	$1,425,000
Claims business by type	
Flex compensation	25%

Continued on next page

The Renaissance Continues.

National Benefit Resources and Stop Loss International Corporation have teamed up to become one of the United States' largest and most comprehensive marketers of Excess Risk insurance and related services.

But being the largest is not nearly as important as being the best. By pooling our technical resources, we will be able to offer a greater depth of services, while still maintaining separate identities. We'll have increased expertise and technological abilities that are crucial for the future. And we represent a new level of stability - from our own historically strong market position and financial security to the soundness of the carriers and reinsurers we represent.

We will continue to nurture the strengths and abilities of each organization, making certain that the uniqueness of each remains in tact. We're excited to focus our efforts on serving a wide range of customers. And we'll make it a priority to maintain the quality and value customers have come to expect from NBR and SLI.

We're working to provide an enhanced line of products and new market-driven services for TPAs, providers, brokers, employers and their employees. This is just the start of a spectacular new innovative alliance that promises many exciting things ahead.

The strength of the future is based on unity and diversity. We're ready for change! Are you? Don't hesitate to call and learn more about us!

This Isn't Conventional Wisdom, It's The Product Of Forward Thinking.



National Benefit Resources and Stop Loss International Have Formed A Dynamic New Alliance

nbr National Benefit Resources
5402 Parkdale Drive Suite 300
Minneapolis, MN 55416

SLI THE RESOURCE PEOPLE
3333 Founders Road
Indianapolis, IN 46268

Continued from previous page

Health insurance 75%
Employees covered 12,000
Dependents covered 15,000

Claims business by volume

Administration claims paid $19,462,000
Auditing projects conducted 3

Clients

Administration 50

Staff

Total 25
Claims services 24

Claims services since: 1982.
Parent: Blue Cross & Blue Shield of Montana.
Service area: Nationwide.
Branch offices: Sales offices in Billings, Mont.; Salt Lake City; Spokane, Wash.
Membership: SPBA, SIIA.
Officers: Dirk Visser, president; Linda McQueen, operations manager; Martell Hilderbrand, staff attorney; Rock Hall, controller; Gary Kahl, data processing manager.
Contact: Linda McQueen.

International Administrators

2212 N. Winery Ave., Suite 101, Fresno, Calif. 93703; 209-456-6100; fax: 209-456-6115

Revenues

Total $800,000
Claims administration 46.25%
Claims adjusting 5%
Claims auditing 5%
Other services 43.75%
Claims revenue $450,000

Claims business by type

Flex compensation 10%
Health insurance 90%
Employees covered 4,000
Dependents covered 3,000

Claims business by volume

Administration claims paid $5,000,000
Auditing projects conducted 3

Clients

Administration 209

Staff

Total 15
Claims services 6

Claims services since: 1989.
Service area: Nationwide.
Membership: SPBA.
Officers: Charles Mugrdechian Jr., president; Ardemis Mugrdechian, vp.

Iowa Benefits Inc.

1619 S. High Ave., Ames, Iowa 50010; 515-232-8585; fax: 515-232-9147

Revenues

Total $1,800,000
Claims administration* 50%
Other services 50%
Includes: flexible benefit plan administration and claims management, insurance sales
Claims revenue* $900,000

Claims business by type

Disability 1%
Flex compensation 10%
Health insurance 89%
Employees covered 16,682
Dependents covered 18,000

Claims business by volume

Administration claims paid* $23,197,562

Clients

Administration 79

Staff

Total 35
Claims services 24

** Flexible benefit plan claims are included under "other" in revenue breakout. Flexible benefit plan claims are also not included in claims revenue or claims volume.*

Claims services since: 1976.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Richard C. Clem, president.

J

JAS Inc.

4885 S. 900 E., Suite 202, Salt Lake City, Utah 84117; 801-266-3271; fax: 801-266-4383

Revenues

Claims administration 100%

Claims business by type

Disability 5%
Flex compensation 5%
Health insurance 90%
Employees covered 15,000
Dependents covered 30,000

Claims business by volume

Administration claims paid $55,000,000

Clients

Administration 11

Staff

Total 25
Claims services 20

Claims services since: 1986.
Service area: Nationwide.
Membership: SIIA, NAEBA.
Contact: Scott N. Sheffield.

Jardine Group Services Corp.

433 State St., Schenectady, N.Y. 12305; 518-381-5380; fax: 518-381-5354

Revenues

Claims administration 100%
Includes: Professional dental claims review and consulting service

Claims business by type

Disability 13%
Health insurance 87%

Claims business by volume

Administration claims paid $72,000,000

Clients

Administration 18

Staff

Total 195
Claims services 70

Claims services since: 1982.
Service area: Nationwide.
Branch offices: Administrative offices in Albany, N.Y. Sales offices in: Denver; New York; Oak Brook, Ill.
Claims subsidiaries: Professional Dental Reviewers Inc., New York.
Membership: SIIA, IFEBP.
Officers: W. Michael Carroll, CEO; Gary P. Hickey, Michael Murphy, senior vps/managing directors.

William N. Jenkins & Associates Inc.

1299 Battle Creek Road, Suite 200, Jonesboro, Ga. 30236; 404-477-1888; fax: 404-477-5558

Revenues

Total $250,000
Claims administration 100%
Claims revenue $250,000

Claims business by type

Health insurance 100%
Employees covered 2,000
Dependents covered 4,500

Clients

Administration 4

Staff

Total 4
Claims services 2

Claims services since: 1985.
Service area: Southeast.
Membership: SPBA, IFEBP.
Officers: Larry Jenkins, president/treasurer; Sheila Jenkins Lister, vp/secretary.
Contact: P.O. Box 607, Jonesboro, Ga. 30237-0607; 800-852-0049.

K

Kepple & Co.

209 W. Fifth St., Peoria, Ill. 61603; 309-673-7330; fax: 309-673-7369

Revenues

Claims administration 68%
Other services 32%
Includes: utilization review, COBRA, Taft-Hartley administration, drug testing, managed care services

Claims business by type

Disability 1%
Flex compensation 8%
Health insurance 90%
Employees covered 20,000
Dependents covered 25,000
Life 1%

Claims business by volume

Administration claims paid $60,000,000

Clients

Administration 111

Staff

Total 75

Claims services since: 1982.
Parent: Health Care Horizons.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Gerald Landgraf, chairman; Philip C. Walker II, president; Gloria Towles, treasurer; Jamie Stevenson, secretary.
Contact: Jamie Stevenson.

Klais & Co. Inc.

1867 W. Market St., Akron, Ohio 44313; 216-867-8443

Revenues

Claims administration 90%
Other services 10%

Claims business by type

Disability 1%
Flex compensation 5%
Health insurance 89%
Employees covered 35,000
Dependents covered 80,000
Pensions 5%

Staff

Total 110

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Sales offices in Atlanta; Dayton, Ohio.
Membership: SPBA, SIIA, IFEBP.
Officers: Daniel Klais, president; Nancy Archibald, vp.

L

Lipman Insurance Administrators Inc.

39420 Liberty St., Suite 265, Fremont, Calif. 94538; 510-795-0103; fax: 510-795-0858

Revenues

Total $5,000,000
Claims administration 85%
Other services 15%
Claims revenue $4,250,000

Claims business by type

Flex compensation 30%
Health insurance 70%
Employees covered 15,000
Dependents covered 30,000

Claims business by volume

Administration claims paid $36,000,000

Clients

Administration 6

Staff

Total 80
Claims services 60

Claims services since: 1976.
Service area: Nationwide.
Branch offices: Administrative offices in Las Vegas; Santa Maria, Calif. Sales office in Las Vegas.
Membership: SPBA, SIIA.
Officers: Fred Lipman, president; Marty Lowy, manager.
Contact: Larry Lipman.

Long Claim Services

4747 Lincoln Mall Drive, Matteson, Ill. 60443; 708-747-4010; fax: 708-747-7269

Revenues

Total $3,468,000
Claims administration 55%
Claims auditing 5%
Other services 40%
Includes: claims review services, claims system software
Claims revenue $2,346,000

Claims business by type

Disability 10%
Flex compensation 15%
Health insurance 75%
Employees covered 21,000
Dependents covered 58,000

Claims business by volume

Administration claims paid $5,300,000
Auditing projects conducted 3

Clients

Administration 33
Auditing 3

Staff

Total 15
Claims services 11

Service area: Nationwide.
Officers: Donald L. Long, president; Kathy DelFavero, vp; Jack Hill, vp-marketing.

M

MS Administrative Services Inc.

5440 Franklin, Suite 205, Boise, Idaho 83705; 208-343-2964; fax: 208-387-0151

Revenues

Total $520,000
Claims administration 98%
Other services 2%
Claims revenue $500,000

Claims business by type

Flex compensation 2%
Health insurance 98%
Employees covered 5,400
Dependents covered 8,800

Claims business by volume

Administration claims paid $9,300,000

Clients

Administration 11
Adjusting 11

Staff

Total 10

Service area: Nationwide.
Membership: SPBA.
Officers: Marvin Montoya, president; Wayne G. Schiess, secretary/treasurer.
Contact: Marvin Montoya.

Continued on next page

"Suddenly, I was getting calls about pensions, health insurance and 401(k) plans ...

Maureen Ruelas
Human Resources Representative
Talley Defense Systems



"Last year, when our benefits administrator retired, I was given responsibility for Talley's benefits programs. From day one, I began to receive calls from employees asking for information and advice about their insurance and retirement plans. I knew parts of the answers, but I realized I needed additional training in benefits management and I needed it fast!

My supervisor suggested that I look into the CBP (Certified Benefits Professional) seminars that are available from the American Compensation Association (ACA).

My immediate challenge was calculating pensions and dealing with 401(k) plans. What I needed was an overview of the entire process, from beginning to end. I needed to know how to talk about pensions and 401(k) plans with our employees and managers.

I signed up for my first ACA seminar and knew I was on the right track. I've now taken four ACA benefits seminars. All were practical, well taught and provided a "today's view" of what it means to be a benefits professional. I like the two-and-a-half-day format. I get what I need without too much time away from the office.

Would I recommend ACA certification seminars to my peers? Without hesitation – absolutely!"

No surprise to us – ACA meets Maureen Ruelas' benefits training needs. ACA has been serving the profession since 1955. For a copy of the latest seminar catalog, which includes schedules of ACA seminars in your area, please call us at 602/951-9191.

ACA™ Your Resource Partner

14040 N. Northsight Blvd., Scottsdale, AZ 85260
602/951-9191 • Fax 602/483-8352

Continued from previous page

ManageMED

1 Marcus Drive, Suite 107, P.O. Box 6125, Greenville, S.C. 29606; 803-234-8200; fax: 803-234-8202

Revenues

Claims administration 100%

Claims business by type

Flex compensation 5%
Health insurance 90%
Employees covered 7,500
Dependents covered 20,500
Life 5%

Claims business by volume

Administration claims paid $17,000,000

Clients

Administration 10

Staff

Total 12
Claims services 7

Claims services since: 1987.
Parent: ClaimsWare Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Charleston, S.C.
Officers: Ron Ross, president; G. Lee Barnett, Angela Platt, vps.
Contact: Ron Ross.

McConachie Financial Services Inc.

1480 Renaissance Drive, Park Ridge, Ill. 60068; 708-297-3640; fax: 708-297-5674

Revenues

Claims administration 70%
Other services 30%
Includes: fully insured claims administration

Claims business by type

Health insurance 90%
Pension 10%

Claims business by volume

Administration claims paid $9,000,000

Clients

Administration 15

Staff

Total 9
Claims services 7

Claims services since: 1982.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Scot McConachie, president.

McDonough Caperton Benefit Services/Acordia National

P.O. Box 1551, Charleston, W.Va. 25326-1551; 304-340-0258; fax: 304-347-1506

Revenues

Total $17,500,000
Claims administration 98%
Claims adjusting 1%
Claims auditing 1%
Claims revenue $17,500,000

Claims business by type

Disability 0.05%
Flex compensation 0.05%
Health insurance 96%
Employees covered 400,000
Dependents covered 880,000
Professional liability 1%
Workers compensation 2%

Claims business by volume

Administration claims paid $528,034,653

Clients

Administration 341

Staff

Total 362
Claims services 362

Claims services since: 1976.
Parent: Acordia Inc.
Service area: Nationwide.
Branch offices: Sales offices in: Atlanta; Beckley, Elkins, Huntington and Morgantown, W.Va.; Cleveland; Lexington, Ky.; Miami; Roanoke, Va.
Membership: SPBA, SIIA, IFEBP.
Officers: W. Marston Becker, president/CEO; James M. Pennington, president/CEO-Acordia National; Andrew J. Paterno, president/CEO-Acordia of West Virginia.
Contact: James M. Pennington, 304-347-0737.

McDowell Agency Inc.

105 N. Spring St., P.O. Drawer 3088, Greenville, S.C. 29602; 800-476-1555; fax: 803-233-3604

Revenues

Total $2,317,867
Claims administration 25%
Other services 75%
Includes: fully insured claims administration, insurance brokering, stop-loss coverage, individual insurance products

Claims revenue $571,858

Claims business by type

Flex compensation 1%
Health insurance 99%
Employees covered 11,986
Dependents covered 12,150

Claims business by volume

Administration claims paid $18,193,221

Clients

Administration 22

Staff

Total 40
Claims services 20

Claims services since: 1977.
Service area: Nationwide.
Branch offices: Sales offices in Charleston and Simpsonville, S.C.
Membership: SPBA.
Officers: M. Steve McDowell, president; Kathleen M. McDowell, executive vp; Joyce Chapman, vp-operations; Sidney Major Jr., secretary/general counsel.

Med-Pay Inc.

1650 E. Battlefield, Springfield, Mo. 65804; 417-886-6886; fax: 417-886-2276

Revenues

Total $2,196,020
Claims administration 96%
Other services 4%
Includes: precertification, utilization review, school health and accident
Claims revenue $2,100,491

Claims business by type

Health insurance 100%
Employees covered 19,500
Dependents covered 25,500

Claims business by volume

Administration claims paid $39,000,000

Clients

Administration 77

Staff

Total 43
Claims services 41

Claims services since: 1981.
Service area: Kansas, Missouri, Oklahoma.
Membership: SPBA, SIIA.
Officers: Gordon Kinne, president; Jim Morris, Jim Sanders, vps.
Contact: Margaret Godown, director-client services.

Med Tac Corp.

4 Chrysler Road, Natick, Mass. 02169; 800-843-7639; fax: 508-653-5665

Revenues

Total $4,400,000
Claims administration 100%
Claims revenue $4,400,000

Claims business by type

Disability 3.5%
Flex compensation 0.5%
Health insurance 96%
Employees covered 18,000
Dependents covered 25,200

Clients

Administration 60

Staff

Total 48
Claims services 48

Claims services since: 1972.
Service area: Nationwide.
Membership: SPBA.
Officers: Joseph L. Tierney Jr., president; Mary Elizabeth Smith, vp-finance; Edward O'Brien, vp-claims/MIS; Mary M. Tierney, treasurer.
Contact: Mary Elizabeth Smith.

Medical Benefit Administrators Inc.

2600 Eagan Woods Drive, Suite 150, Eagan, Minn. 55121; 612-454-1226; fax: 612-454-2702

Revenues

Total $1,700,000
Claims administration 95%
Other services 5%
Includes: managed care, system leasing, insured products

Claims business by type

Disability 1%
Flex compensation 2%
Health insurance 97%
Employees covered 14,000
Dependents covered 35,000

Claims business by volume

Administration claims paid $12,000,000

Clients

Administration 150

Staff

Total 52
Claims services 52

Continued on next page



Choose the wrong system and lives will be lost

If you choose a health claims management system that doesn't let you do anything but process claims, you'll probably end up processing cancellations.

Customers today demand more than just benefits administration. QicClaim/2© from Resource Information Management Systems, Inc. (RIMS) gives you more cost-saving options than any other system.

QicClaim/2 is the most flexible system available. It gives you software to handle billing, managed care programs, flexible spending plans, utilization reporting and much more. It offers hardware flexibility through open systems architecture (IBM, Data General, PC Networks and more). It includes you in a client association for business network resourcing. It's being used to process claims for more than 20 million covered lives, internationally.

And, our new integrated technologies allow you to offer even more services to your customers and let you perform them faster and more profitably.

IMAGE

No more hard copy hassles. Just scan in original documents and index them with parameters you design. IMAGE creates electronic on-line files. It allows for side-by-side retrieval and claims processing on a single screen. Filing's simplified. Data entry time is significantly reduced. And, you don't have to worry about blistered eyes from staring at microfiche.

Electronic Claims Submission/ Batch Adjudication

QicClaim/ECS allows you to accept claim information directly from a provider or clearinghouse via tape, floppy disk or data communications link.

This technology also allows for automatic adjudication where all files that meet pre-defined claim criteria are automatically processed. Only claims that aren't complete or are red-flagged by conditions you define need be reviewed by an adjuster.

You're able to better allocate resources and decrease mail and paper handling, while you maximize productivity and profit.

Medical Claims Auditing

With Medical Claims Auditing you can save up to 15% in medical costs for your clients each year. The QicClaim/2 system identifies claims with potential for audit savings. The medical claims auditing software then reviews those claims for improper coding and recommends modified payment, where appropriate. Claims that don't pass the audit process are held for modification or review by an adjuster. No overpayment, just the appropriate amount.

Cost Management Services

An opportunity for true cost management via easy-to-use PC-based database technology that compares plan data with regional and national healthcare norms. RIMS' relationship with a national healthcare data management firm lets you analyze health benefit plan performance and provide employers with comprehensive health risk assessment and cost management services.

Workers' Compensation

We've joined forces with a leading workers' compensation software vendor to enable you to process both employee benefits *and* workers' compensation claims on an integrated basis. Any claims that are suspected as duplicates are immediately identified. And, you're given access to shared medical information, coordinated employee communications, claims reporting procedures and combined self-insurance/excess programs.

For health claims, workers' compensation, even "24-Hour Coverage" — this is your administrative solution.

More than software, solutions

Keep your business alive and well. Keep your customers happy. Make your business more profitable. With QicClaim/2 from RIMS. For more information call **1-800-950-0099**.

® IBM is a registered trademark of International Business Machines Corporation.

© 1992 Resource Information Management Systems, Inc.

RIMS

The Leader in Benefits Administration Software

Resource Information Management Systems, Inc. ♦ 500 Technology Drive
P.O. Box 3094 ♦ Naperville, IL 60566-7094 ♦ 708/369-5300, ext. 269 ♦ FAX: 708/369-5168

Continued from previous page

Claims services since: 1981.
Service area: Nationwide.
Branch offices: Administrative offices in Madison, Wis.
Claims subsidiaries: Preferred Review.
Membership: SPBA, NAEBA.
Officers: John J. Jurewicz, CEO; Thomas O'Meara, president; Mary Pat Renaud, marketing manager; Jane Leach, administration manager; Jackie Thompson, claim manager.
Contact: Mary Pat Renaud.

Medical Claims Service Inc.

300 Congress St., Quincy, Mass. 02169; 617-471-4100; fax: 617-471-6323

Revenues	
Total	$3,500,000
Claims administration	51.4%
Other services	48.6%
Claims revenue	$1,800,000
Claims business by type	
Disability	2%
Flex compensation	8%
Health insurance	90%
Employees covered	13,000
Dependents covered	15,000
Claims business by volume	
Administration claims paid	$35,000,000
Clients	
Administration	120
Staff	
Total	51
Claims services	11

Claims services since: 1976.
Service area: New England and Midwest.
Branch offices: Administrative offices in Ravenswood, W.Va. Sales offices in Columbus, Ohio.
Membership: SPBA.
Officers: William C. McKelvey, president; Shirley Johnson, Helmut Schmidt, vps; Reldon Barre, controller.

Member Service Administrators

2727 E. 21st St., Tulsa, Okla. 74114; 918-747-9700; fax: 918-645-7700

Revenues	
Claims administration	95%
Other services	5%
Claims business by type	
Disability	5%
Flex compensation	5%
Health insurance	90%
Employees covered	23,000
Dependents covered	10,000
Claims business by volume	
Administration claims paid	$3,000,000
Clients	
Administration	33
Staff	
Total	45
Claims services	45

Claims services since: 1985.
Parent: Member Service Life Insurance Co.
Service area: Oklahoma.
Officers: Ralph S. Rhoades, president; Michael Rhoads, senior vp; Eugene M. Ross, Carl Cabbiness, Pamela Schoeppel, vps.
Contact: Jim Henninger, assistant vp.

J.F. Molloy & Associates Inc.

4040 Vincennes Circle, Suite 600, Indianapolis, Ind. 46268; 317-899-4040; fax: 317-879-4049

Revenues	
Claims administration	85%
Other services	15%
Includes: fee consulting, utilization review	
Claims business by type	
Disability	5%
Flex compensation	2%
Health insurance	93%
Employees covered	58,000
Dependents covered	90,000
Claims business by volume	
Administration claims paid	$84,000,000
Clients	
Administration	40
Staff	
Total	115
Claims services	80

Claims services since: 1966.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: David W. Blanford, president/CEO; Craig S. Penwell, executive vp; Aaron G. Curtis, Dean Padgett, Nancy Gill, vps.
Contact: Aaron Curtis.

Mountain States Administration Co.

2530 S. Parker Road, Suite 606, Aurora, Colo. 80014; 303-368-4500; fax: 303-368-5703

Revenues	
Total	$1,300,000
Claims administration	90%
Other services	10%
Includes: fully insured clients, utilization review services	
Claims revenue	$1,200,000
Claims business by type	
Disability (short-term)	2%
Flex compensation	3%
Health insurance	95%
Employees covered	18,670
Dependents covered	42,000
Clients	
Administration	41
Staff	
Total	26
Claims services	12

Claims services since: 1980.
Service area: Arizona, Colorado, Kansas, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, Utah, Wyoming.
Membership: SPBA.
Officers: Clarence Gray, president.

NBA Corp./NBA Insurance Administrators

109 E. Lexington Ave., El Cajon, Calif. 92020; 619-579-9994; fax: 619-447-6234

Revenues	
Total	$1,000,000
Claims administration	88%
Other services	12%
Includes: insurance brokering	
Claims revenue	$875,000
Claims business by type	
Health insurance	100%
Employees covered	11,000
Dependents covered	28,000
Claims business by volume	
Administration claims paid	$18,300,000
Clients	
Administration	32
Staff	
Total	18

Claims services since: 1982.
Service area: Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, Washington.
Officers: Ralph L. Ball, president.

NCAS Mountain Plains

215 E. Eighth Ave., P.O. Box 3137, Cheyenne, Wyo. 82003-3137; 307-638-3825; fax: 307-634-7611

Revenues	
Total	$800,000
Claims administration	100%
Claims revenue	$800,000
Claims business by type	
Health insurance	100%
Claims business by volume	
Administration claims paid	$17,000,000
Clients	
Administration	30
Staff	
Total	14
Claims services	14

Claims services since: 1987.
Parent: Blue Cross & Blue Shield of Wyoming, Blue Cross & Blue Shield of Montana.
Service area: Montana, Wyoming.
Branch offices: Sales offices in Casper, Wyo.; Missoula, Mont.
Membership: SPBA.
Officers: Dick Martin, president; Gary Ritter, director-operations; Ralph D. Hayes, director-marketing; Bob Decker, director-major accounts.
Contact: Ralph D. Hayes.

National Benefit Administrators Inc.

5755 Mark Dabling Blvd., Suite 301, Colorado Springs, Colo. 80919; 719-599-7373; fax: 719-599-9205

Revenues	
Total	$1,200,000
Claims administration	80%
Claims adjusting	10%
Claims auditing	10%
Claims revenue	$1,200,000
Claims business by type	
Flex compensation	5%
Health insurance	95%
Employees covered	15,000
Dependents covered	30,000
Claims business by volume	
Administration claims paid	$30,000,000
Clients	
Administration	63
Staff	
Total	20

Claims services since: 1985.
Parent: Acordia Inc.
Service area: Nationwide.
Membership: SPBA.
Officers: Walt Ahern, president; Richard Anderson, Erik Nebeker, vps.

National Benefit Plans Inc.

5 Koger Center, P.O. Box 13128, Norfolk, Va. 23506; 804-466-1940

Revenues	
Total	$630,000
Claims administration	90%
Other services	10%
Includes: union pension administration	
Claims revenue	$567,000
Claims business by type	
Disability	5%
Health insurance	85%
Employees covered	7,500
Dependents covered	11,000
Pensions	10%
Claims business by volume	
Administration claims paid	$7,500,000
Clients	
Administration	26
Staff	
Total	12
Claims services	8

Claims services since: 1972.
Parent: Sub-S Corp.
Service area: Mid-Atlantic and southeastern United States.
Branch offices: Administrative offices in Richmond, Va.
Membership: SPBA, IFEBP.
Officers: John J. Gailey Jr., president; James Davenport, chairman/CEO; Robert Jones, vp/CFO.
Contact: John J. Bailey.

National Claims Administrative Services Inc.

3702 Pender Drive, Suite 200, Fairfax, Va. 22030; 703-934-6200; fax: 703-934-6279

Revenues	
Claims administration	92%
Other services	8%
Includes: billing services, Medicaid administration	
Claims business by type	
Disability	1%
Flex compensation	6%
Health insurance	93%
Employees covered	135,000
Dependents covered	272,565
Claims business by volume	
Administration claims paid	$230,000,000
Clients	
Administration	324
Staff	
Total	195
Claims services	152

Claims services since: 1984.
Parent: GHMSI Cos. Inc.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: William G. Hendren, CEO; David A. Kreager, vp-marketing; Jane S. LeRoy, vp-claims services.

Continued on next page

ATTENTION:
VOLUNTARY/ NON-INTEGRATED
GUARANTEED ISSUE
DISABILITY INCOME
UNIVERSAL LIFE
FOR
PROFESSIONAL &TRADE ASSOCIATIONS
CREDIT UNIONS & TOUGH BLUE COLLAR
The EXCHANGE - (800) 456-2981

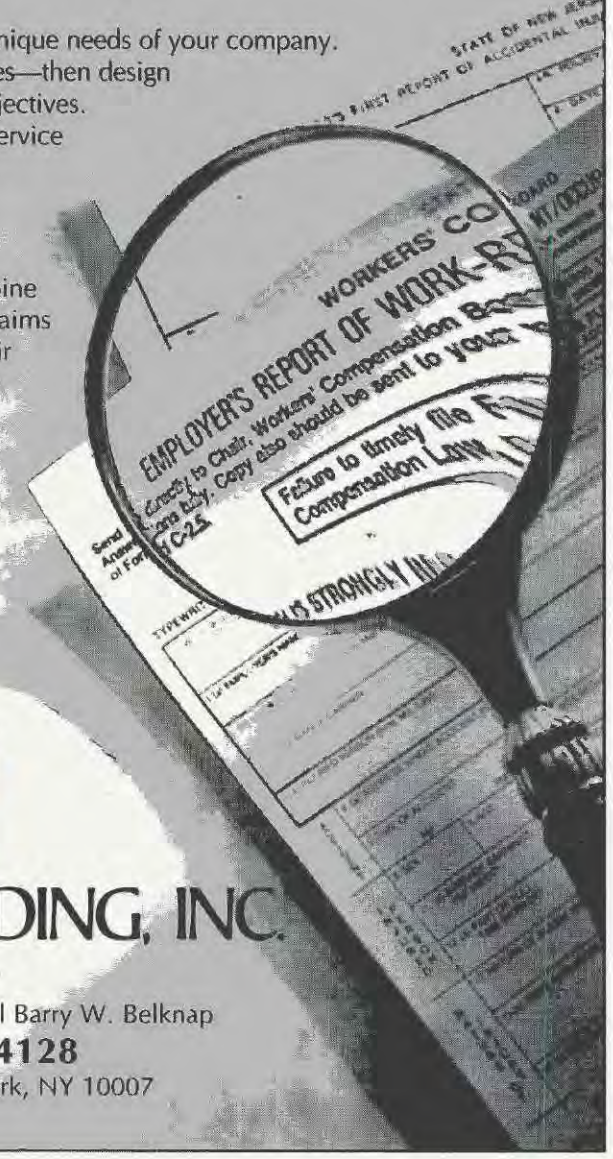
A focused approach to your Workers' Comp needs...

Toplis & Harding specializes in filling the unique needs of your company. We take the time to focus on *your* objectives—then design flexible, innovative approaches to these objectives. We've been providing this kind of quality service to the insurance industry for over 75 years.

Our service starts with our people
Toplis & Harding professionals are good listeners and creative thinkers. They combine skill and experience to provide efficient claims administration and cost containment. Their case loads are manageable so you receive the personal attention you need.

The Toplis & Harding Advantage
Quality. Innovation. Communication. Small enough to focus on your needs. Experienced enough to see both the opportunities and the potential pitfalls in your workers' comp program.

Toplis & Harding —
A Focused Approach to Workers' Comp



TOPLIS AND HARDING, INC.
NORTH AMERICA
For more information, call Barry W. Belknap
1-800-472-4128
195 Broadway, New York, NY 10007

Continued from previous page

Contact: David A. Kreager, 703-934-6267.

National Health Plan Corp.

1 Penn Plaza, New York, N.Y. 10119; 212-279-3232; fax: 212-629-0749

Revenues	
Claims administration	50%
Claims adjusting	10%
Claims auditing	5%
Other services	35%
Includes: PPO network access	
Claims business by type	
Health insurance	100%
Employees covered	50,000
Clients	
Administration	13
Staff	
Total	14

Claims services since: 1975.
Service area: New England states, including New Jersey, New York and Pennsylvania.
Membership: SPBA.
Officers: Alvin Konigsberg, David Zaback.
Contact: David Zaback.

National Prescription Administrators Inc.

1200 Route 46, Clifton, N.J. 07073; 201-471-6030

Revenues	
Claims administration	92%
Other services	8%
Includes: online eligibility system, data services, pharmacy claim audits	
Claims business by type	
Health insurance	97%
Workers compensation	3%
Clients	
Administration	917
Staff	
Total	510

Claims services since: 1978.
Service area: Nationwide.
Branch offices: Administrative offices in Harrisburg and Philadelphia, Pa. Sales offices in: Atlanta; Harrisburg and Pittsburgh, Pa.; Raleigh-Durham, N.C.; San Diego; St. Louis.
Membership: SIIA.
Officers: Richard Ullman, Art Ullman, David Karlin.
Contact: David Karlin, executive vp.

New World Services

2624 N. Fifth St., Niles, Mich. 49120; 616-684-6700; fax: 616-684-8138

Revenues	
Claims administration	100%
Claims business by type	
Disability	10%
Health insurance	90%
Employees covered	5,500
Dependents covered	13,750
Claims business by volume	
Administration claims paid	$14,150,000
Clients	
Administration	120
Staff	
Total	12
Claims services	6

Claims services since: 1984.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Robert D. Cravens, president; Stan Jacobson, vp; Jack Grollman, treasurer.
Contact: Robert D. Cravens, president.

North American Administrators Inc.

40 John Glenn Drive, Amherst, N.Y. 14228; 716-691-8556; fax: 716-691-8524

Revenues	
Total	$9,100,000
Claims administration	85%
Other services	15%
Claims revenue	$8,000,000
Claims business by type	
Disability	2%
Flex compensation	2%
Health insurance	96%
Employees covered	105,000
Dependents covered	140,000
Claims business by volume	
Administration claims paid	$250,000,000
Clients	
Administration	220
Staff	
Total	170
Claims services	170

Claims services since: 1983.
Service area: Nationwide.
Branch offices: Sales offices in Walpole, Mass.
Membership: SPBA, SIIA.
Officers: Ronald K. Zoeller, president; David W. Miller, senior vp; Arthur Orlick, medical director; Charles W. Barger, Gina Wilkie, vps.
Contact: Ronald K. Zoeller.

North American Benefits Network Inc.

19800 Detroit Road, Cleveland, Ohio 44116; 216-356-8212; fax: 216-356-0140

Revenues	
Claims administration, adjusting, auditing	56%
Other services	44%
Includes: case management, utilization review, data management for HMOs/PPOs, consulting	
Claims business by type	
Disability	1%
Flex compensation	4%
Health insurance	95%
Employees covered	211,110
Dependents covered	250,275
Claims business by volume	
Administration claims paid*	$303,645,728
Clients	
Administration	140
Staff	
Total	116

** Claims volume for 11 months ending 11/30/93.*

Claims services since: 1962.
Parent: NA Management Corp.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Donald T. Baker, president; Robert Gearhart, Martha Was, Mary Morgan, Richard L. Phillips, Ellen Quimper, vps.
Contact: Donald T. Baker, president.

NOVA Healthcare Administrators

2680 Grand Island Blvd., Grand Island, N.Y. 14072; 716-773-1143; fax: 716-773-1276

Revenues	
Claims administration	75%
Claims adjusting	10%
Other services	15%
Includes: PPO services, utilization review	
Claims business by type	
Flex compensation	25%
Health insurance	75%
Employees covered	17,000
Dependents covered	32,000
Claims business by volume	
Administration claims paid	$30,000,000
Clients	
Administration	63
Staff	
Total	45
Claims services	19

Claims services since: 1980.
Service area: Nationwide.
Membership: SPBA.
Officers: Robert L. Dotton, president; Larry Thompson, senior vp; Cynthia A. Hammer, vp-operations; Paul M. Tambe, treasurer; Bill Brothers, senior account executive.
Contact: Robert L. Dotton.

O

Oliver & Larkin Inc.

1261 Oakmead Parkway, Suite 200, Sunnyvale, Calif. 94086; 408-735-9975; fax: 408-735-7102

Revenues	
Claims administration	100%
Claims business by type	
Disability	100%
Claims business by volume	
Administration claims paid	$23,000,000
Clients	
Administration	80
Staff	
Total	23
Claims services	23

Claims services since: 1986.
Service area: Nationwide.
Membership: SIIA.
Officers: Michael L. Oliver, president; Thomas H. Larkin Jr., executive vp; Nancy W. Cantley, vp.

Owen Insurance Administrators Inc.

5104 N. Francis, Suite E, Oklahoma City, Okla. 73118-6075; 405-843-9901; fax: 405-843-1319

Revenues	
Total	$241,000
Claims administration	100%
Claims revenue	$241,000
Claims business by type	
Disability	1%
Health insurance	99%
Employees covered	1,150
Dependents covered	1,000
Claims business by volume	
Administration claims paid	$2,250,000
Clients	
Administration	5
Staff	
Total	11
Claims services	7

Claims services since: 1985.
Service area: Oklahoma.
Officers: H. Drew Owen, W. Mike Owen, H. Drew Owen Jr.
Contact: W. Mike Owen.

P

PAI

10795 Watson Road, St. Louis, Mo. 63127-1011; 314-821-3957; fax: 314-821-4349

Revenues	
Total	$7,540,000
Claims administration	86%
Other services	14%
Includes: benefit plan design consulting, stop loss placement, underwriting services, fully insured benefit insurance brokering	
Claims revenue	$6,520,000
Claims business by type	
Flex compensation	3%
Health insurance	97%
Employees covered	100,000
Dependents covered	250,000
Claims business by volume	
Administration claims paid	$250,000,000
Clients	
Administration	70
Staff	
Total	138
Claims services	118

Claims services since: 1972.
Parent: Blue Cross & Blue Shield of Missouri.
Service area: Nationwide.
Membership: SIIA, IFEBP.
Officers: Lawrence E. Thurmond, chairman; Thomas A. Sax, president; Robert F. Sax, senior vp; Sharon Loos, Peter Clay, vps.
Contact: Thomas A. Sax, 314-821-3957 ext. 2204.

Paradigm Administrators Inc.

P.O. Box 1268, Tifton, Ga. 31793; 912-386-1751; fax: 912-386-4967

Revenues	
Total	$1,300,000
Claims administration	90%
Other services	10%
Includes: placement of group life and long-term disability, COBRA administration	
Claims revenue	$1,200,000
Claims business by type	
Disability	5%
Health insurance	95%
Employees covered	16,000
Dependents covered	25,000
Claims business by volume	
Administration claims paid	$30,000,000
Clients	
Administration	38
Staff	
Total	24
Claims services	20

Claims services since: 1978.
Service area: Nationwide.
Membership: SPBA, SIIA, IFEBP.
Officers: Starling Grisham, president; Norma Young, director-client services; Lori Sapp, director-claims services; Mitzi Walker, director-administrative services; Martha Ellis, director-accounting services.
Contact: Starling Grisham.

TR Paul Group Services Inc.

14 Commerce Road, Newtown, Conn. 06470; 203-426-8161; fax: 203-270-0927

Continued on next page





Continued from previous page

Revenues

Total $3,500,000
Claims administration 85%
Other services 15%
Includes: marketing, consulting

Claims business by type

Flex compensation 2%
Health insurance 98%
Employees covered 28,420
Dependents covered 34,766

Claims business by volume

Administration claims paid $80,000,000

Clients

Administration 100

Staff

Total 54
Claims services 29

Claims services since: 1973.
Parent: TR Paul Inc.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA, IFEBP.
Officers: Mary Ingham, president; Raymond Nelson, vp; George Romer, treasurer; Deborah L. Wilber, secretary/technical services manager.
Contact: Deborah L. Wilber.

Plan Services Inc.

3501 Frontage Road, Tampa, Fla. 33607; 813-289-1000; fax: 813-287-6629

Revenues

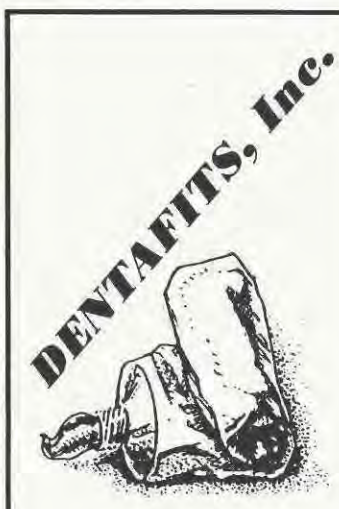
Claims administration 7%
Other services 93%
Includes: fully insured claims services, marketing, managed care services

Claims business by type

Health insurance 100%
Employees covered 138,200
Dependents covered 279,400

Claims business by volume

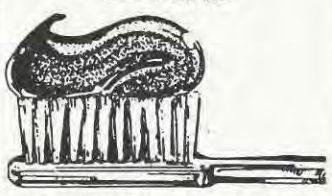
Administration claims paid $214,362,415



Can Provide **STOP LOSS COVERAGE** FOR

- Dental
- Vision
- Prescription Drug

GROUP BENEFIT PLANS



For quotes or information call or write:
Debbie Boucher
P.O. Box 2369
Rancho Cucamonga, CA 91729-2369
(800) 433-3308 FAX (909) 980-1077

Clients

Administration 94

Staff

Total 800
Claims services 250

Claims services since: 1970.
Parent: Dun & Bradstreet Corp.
Service area: Nationwide.
Branch offices: Administrative offices in Fresno, Calif.; Oklahoma City; Youngstown, Ohio. Sales offices in Costa Mesa, Calif.; Detroit; Doylestown, Pa.; New York; Oklahoma City; Westport, Conn.
Membership: SPBA, SIIA.
Officers: Clifford L. Bateman, president; Gary L. Raeckers, executive vp; Brian T. Williams, Carol A. Westfall, George E. Lucco, senior vps.
Contact: Brian T. Williams.

Poe & Brown Benefits

220 S. Ridgewood Ave., Daytona Beach, Fla. 32114; 904-239-5710; fax: 904-239-5729

Revenues

Total $4,200,000
Claims administration 69%
Other services 31%
Includes: welfare plan consulting, managed care consulting, brokerage services for fully insured plans
Claims revenue $2,900,000

Claims business by type

Disability 4%
Flex compensation 6%
Health insurance 90%
Employees covered 25,000
Dependents covered 37,500

Claims business by volume

Administration claims paid $162,500,000

Clients

Administration 38

Staff

Total 58
Claims services 56

Claims services since: 1972.
Parent: Poe & Brown Inc.
Service area: Nationwide.
Branch offices: Sales offices in Atlanta and Thomasville, Ga.; Brooksville, Fort Lauderdale, Fort Myers, Jacksonville, Kissimmee, Leesburg, Maitland, Melbourne, Miami Lakes, Orlando, Sanibel, Sarasota, Tampa, West Palm Beach and Winter Haven, Fla.; Charlotte, N.C.; Clark and Somerset, N.J.; Colorado Springs, Colo.; Glastonbury, Conn.; Houston; Phoenix; San Francisco and Westlake Village, Calif.
Membership: SIIA, NAEBA.
Officers: E.G. Brewer, senior vp; Richard M. Pankratz, executive vp; Debra L. Reddick, David E. Barton, vps.
Contact: Richard M. Pankratz.

POMCO

2425 James St., Syracuse, N.Y. 13206; 315-432-9171; fax: 315-437-9466

Revenues

Claims administration 85%
Claims adjusting 2%
Claims auditing 3%
Other services 8%
Includes: managed care and cost containment services

Claims business by type

Disability 3%
Flex compensation 2%
Health insurance 90%
Employees covered 78,850
Dependents covered 102,600

Workers compensation 5%

Claims business by volume

Administration claims paid $130,000,000

Clients

Administration 60

Staff

Total 145
Claims services 145

Claims services since: 1979.
Service area: Nationwide, excluding Iowa.
Branch offices: Administrative offices in Elmsford and Watertown, N.Y. Sales offices in Elmsford, N.Y.; Stuart, Fla.
Membership: SPBA.
Officers: Maurice W. Pomfrey, CEO; Robert W. Pomfrey, president; George Sherman, vp-MIS; Terrence C. Dowd Jr., vp-finance/administration.
Contact: Robert Pomfrey.

Prairie States Enterprises Inc.

404 W. Grand Ave., Chicago, Ill. 60610; 312-464-1888

Revenues

Claims administration 70%
Other services 30%
Includes: utilization review, flex benefits, managed care, short-term disability, fraud detection, workers compensation

Claims business by type

Disability 5%
Flex compensation 10%
Health insurance 75%
Workers compensation 10%

Claims services since: 1989.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Felicia Wilhelm, Susan Cargher.
Contact: Paul Hilling.

Professional Benefit Administrators Inc.

201 E. Ogden, Suite 120, Hinsdale, Ill. 60521; 708-655-3755; fax: 305-655-3781

Revenues

Total ..... NA
Claims administration 100%
Claims revenue $1,250,000

Claims business by type

Health insurance 100%
Employees covered 16,000
Dependents covered 37,600

Claims business by volume

Administration claims paid $60,000,000

Clients

Administration 80

Staff

Total 46
Claims services 46

Claims services since: 1985.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Ronald Walter, president; David W. Plumb, vp.

Professional Claims Management Inc.

P.O. Box 35276, Canton, Ohio 44735-5276; 216-493-7278; fax: 216-493-5878

Revenues

Total $2,400,000
Claims administration 100%
Claims revenue $2,400,000

Claims business by type

Flex compensation 2%
Health insurance 98%
Employees covered 21,418
Dependents covered 45,941

Claims business by volume

Administration claims paid $75,000,000

Clients

Administration 140

Staff

Total 54
Claims services 54

Claims services since: 1983.
Service area: Ohio.
Membership: SPBA, SIIA.
Officers: J. David Bratton, president; Robert J. Archibald, executive vp; Mike A. Novelli, senior vp.
Contact: Jeffrey Mertic.

Professional Risk Management Inc.

7260 West Blvd., Youngstown, Ohio 44512; 216-726-5800; fax: 216-726-3786

Revenues

Total $2,000,000
Claims administration 85%
Other services 15%
Includes: Section 125, workers compensation, short- and long-term disability
Claims revenue $1,800,000

Claims business by type

Disability 0.5%
Flex compensation 0.5%
Health insurance 85%
Employees covered 12,851
Dependents covered 19,650
Workers compensation 14%

Claims business by volume

Administration claims paid $42,689,173

Clients

Administration 78

Staff

Total 51
Claims services 45

Claims services since: 1981.
Service area: Ohio, Pennsylvania, West Virginia.
Branch offices: Sales offices in Chillicothe and Columbus, Ohio.
Membership: SPBA, NAEBA.
Officers: James B. White, president/CEO/secretary; Ronald G. Blasko, executive vp/COO; Robert R. Carr, vp-workers compensation; Robert E. Hogg Jr., treasurer.
Contact: Ronald G. Blasko.

Prudential Service Bureau

11405 Bluegrass Parkway, Louisville, Ky. 40299; 502-267-4900; fax: 502-267-3297

Revenues

Total $46,000,000
Claims administration 35%
Other services 65%
Includes: COBRA, Section 125, flex plans, group legal, long-term care, group universal life insurance
Claims revenue $16,000,000

Claims business by type

Flex compensation 32%
Health insurance 68%
Employees covered 80,000
Dependents covered 140,000

Claims business by volume

Administration claims paid $428,000,000

Clients

Administration 9

Staff

Total 815
Claims services 238

Claims services since: 1988.
Parent: Prudential Insurance Co. of America.
Service area: Nationwide.
Branch offices: Administrative offices in Roseland, N.J. Sales offices in Atlanta; Houston; Los Angeles; Minneapolis; Philadelphia; Roseland, N.J.
Officers: Robert F. Lewis, president; Dennis A. Sweeney, vp in charge; Jeremiah Kelly, John LeDell, Tom Croswell, vps.

R

RESTAT

724 Elm St., P.O. Box 758, West Bend, Wis. 53095-0758; 800-926-5858; fax: 414-338-5767

Revenues

Claims administration 85%
Claims adjusting 5%
Claims auditing 5%
Other services 5%
Includes: consulting services related to prescription utilization and formulary management

Claims business by type

Health (prescription only) 98%
Workers compensation 2%

Staff

Total 50
Claims services 50

Claims services since: 1985.
Parent: The F. Dohmen Co.
Service area: Nationwide.
Branch offices: Sales offices in Los Angeles, Calif.; Tampa, Fla.
Membership: SIIA.
Officers: Jim Martin, president; C. Thomas Smith, senior vp-marketing/sales; Barbara O'Donahue, director-operations; Lewis Snyder, director-MIS.
Contact: C. Thomas Smith.

Robey-Barber Insurance Services Corp.

3965 Henderson Blvd., Tampa, Fla. 33629; 813-286-1123; fax: 813-289-0444

Revenues

Total $6,500,000
Claims administration 5%
Claims adjusting 20%
Other services 75%
Includes: managed care services, administration of fully insured clients, flex 125 administration, COBRA administration
Claims revenue $1,500,000

Claims business by type

Disability 1%
Flex compensation 2%
Health insurance 94%
Employees covered 20,000
Dependents covered 25,000
Life 3%

Claims business by volume

Administration claims paid $50,000,000

Clients

Administration 435
Adjusting 310

Staff

Total 65
Claims services 20

Claims services since: 1982.
Service area: Alabama, Colorado, Florida, Georgia, Louisiana, Michigan, Mississippi, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia.
Claims subsidiaries: Southern Employee Benefit Services.
Membership: SPBA, SIIA.
Officers: Timothy R. Barber, Karen M. Barber, Randall J. Koubek.
Contact: Timothy R. Barber.

Ry-Ron Inc. TPA

13105 N.W. Freeway, Suite 580, Houston, Texas 77040; 713-690-0044; fax: 713-939-1957

Revenues

Total $6,850,000
Claims administration 90%
Claims auditing 5%
Other services 5%
Claims revenue $6,507,500

Claims business by type

Flex compensation 1%
Health insurance 94%
Employees covered 30,500
Dependents covered 82,500

Continued on next page

Give your Cafeteria Plan the VISTA Advantage!*

When it comes to Section 125 Plans, we are one of the country's finest, most knowledgeable and cost effective third-party administrators. We can help your organization establish a flexible benefits plan or enhance your existing program by making it operate more efficiently.

Here's what VISTA can do for you . . .

- Plan Set-Up & Plan Document
- Claims Processing
- Employee Education Program
- Administration of Flexible Spending Account–including Medical Expenses not covered by insurance account and Dependent Care
- Provide Monthly Spending Fund Reports, Individual Employee Statements and Specialized Discrimination Reports
- Filing of Government Reporting Form 5500

*If you're looking to save money and receive maximum benefits at the lowest possible cost call Toll-Free 1-800/245-4776.

VISTA Administrators, Inc.

Employee Benefit Plan Administrative Services/Claims Administration Specialists

444 W. Galena Blvd. • P.O. Box 10 • Aurora, IL 60507 • 708/844-2151 • 1-800/245-4776 • Fax 708/844-0465

Continued from previous page

Other	5%
Includes: indigent care audits for Texas counties	

Claims business by volume

Administration claims paid	$87,900,000

Clients

Administration	141

Staff

Total	78
Claims services	33

Claims services since: 1982.
Service area: Texas, Southwest.
Branch offices: Administrative offices in Pharr, Texas.
Membership: SPBA, SIIA, NAEBA.
Officers: Keith Oehlschlager, president/owner; Valerie Goswell, Rose Ann Dave, vps.
Contact: W. Keith Oehlschlager.

S

SMC Inc.

100 S. Main, Searcy, Ark. 72143; 501-268-6442; fax: 501-268-7525

Revenues

Total	NA
Claims administration	85%
Claims adjusting	5%
Claims auditing	5%
Other services	5%
Includes: direct contracting with hospitals	
Claims revenue	$346,000

Claims business by type

Health insurance	100%
Employees covered	4,000
Dependents covered	7,000

Claims business by volume

Administration claims paid	$7,000,000

Clients

Administration	40
Adjusting	40
Auditing	40

Staff

Total	21
Claims services	5

Claims services since: 1973.
Service area: Alabama, Arkansas, Illinois, Mississippi, Missouri, Oklahoma, Tennessee, Texas.
Claims subsidiaries: Service Management Corp., United Employers Federation, Roussel & Associates.
Membership: SPBA, SIIA.
Officers: Scott Roussel, president; Marinell Donald, Amy Pryor, Sandra Johnson, senior vps; Paula Heathscott, vp.
Contact: Scott Roussel.

Sedgwick Noble Lowndes Administrators

P.O. Box 248, Newtown, Pa. 18940; 215-968-7700; fax: 215-860-3790

Revenues

Total	$10,000,000
Claims administration	95%
Other services	5%
Includes: COBRA administration, retiree billing, third-party billing services, utilization management, flex administration	
Claims revenue	$9,000,000

Claims business by type

Disability	5%
Flex compensation	15%
Health insurance	80%
Employees covered	70,000
Dependents covered	140,000

Claims business by volume

Administration claims paid	$225,000,000

Clients

Administration	155

Staff

Total	120
Claims services	120

Claims services since: 1981.
Parent: Sedgwick Consulting Group.
Service area: Nationwide.
Branch offices: Sales offices in: Dover, Del.; Washington.
Membership: SPBA, SIIA.
Officers: Kenneth Martin, CEO-North America; Scot Smith, COO-North America; Carroll Cox, vice chairman; Jeff Everson, senior vp; Elizabeth A. Burns, vp.
Contact: Elizabeth A. Burns.

Self-Funded Plans Inc.

1432 Hamilton Ave., Cleveland, Ohio 44114; 216-566-1455; fax: 216-566-1505

Revenues

Total	$5,200,000
Claims administration	98%
Other services	2%
Claims revenue	$5,100,000

Claims business by type

Disability	1%
Flex compensation	1%
Health insurance	98%
Employees covered	42,000
Dependents covered	58,000

Claims business by volume

Administration claims paid	$109,238,000

Clients

Administration	210

Staff

Total	105
Claims services	105

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Chicago and Pittsburgh. Additional sales offices in Tampa, Fla.
Membership: SPBA, SIIA.
Officers: Donna B. Luby, president; Richard C. Sheldon, executive vp; Bonnie Bletcher Krauss, vp-administration/claims; Marsha Phillips, vp-client services.
Contact: Richard C. Sheldon.

Self Insured Benefit Administrators Inc.

18167 U.S. Highway 19 N., Suite 300, Clearwater, Fla. 34624; 813-532-0400; fax: 813-530-0882

Revenues

Claims administration	95%
Claims adjusting	5%

Claims business by type

Disability	5%
Flex compensation	5%
Health insurance	90%
Employees covered	11,000
Dependents covered	30,000

Claims business by volume

Administration claims paid	$35,000,000

Clients

Administration	25

Staff

Total	23
Claims services	23

Claims services since: 1988.
Parent: Jones & Hawkins Insurance.
Service area: Nationwide.
Membership: SPBA.
Officers: Terrell Hawkins, president; Michael McClain, senior vp; Charles Honeywell, executive vp; Ronnie Brown, vp; Bonnie Hiller, claims manager.
Contact: Ronnie Brown.

SIEBA Ltd.

3206 Vestal Parkway E., Vestal, N.Y. 13850; 607-770-0120; fax: 607-770-7082

Revenues

Total	$1,250,000
Claims administration	88%
Other services	12%
Includes: consulting	
Claims revenue	$1,100,000

Claims business by type

Flex compensation	10%
Health insurance	90%
Employees covered	22,400
Dependents covered	41,300

Claims business by volume

Administration claims paid	$26,000,000

Clients

Administration	47

Staff

Total	25
Claims services	25

Claims services since: 1983.
Service area: Northeast and Mid-Atlantic states.
Membership: SPBA.
Officers: Richard G. DoBell, president.

Sierra Administrators Inc.

P.O. Box 2787, Dublin, Calif. 94568; 510-828-2427; fax: 510-828-3128

Revenues

Claims administration	100%

Claims business by type

Health insurance	100%
Employees covered	10,000
Dependents covered	30,000

Claims business by volume

Administration claims paid	$27,460,171

Clients

Administration	10

Staff

Total	20

Claims services since: 1981.
Service area: California.
Branch offices: Administrative offices in Salinas, Calif.
Membership: SPBA, IFEBP.
Officers: Steven J. Stauffacher, president.

Southeastern Indiana Health Operations

432 Washington St., P.O. Box 1787, Columbus, Ind. 47202-1787; 812-378-7000; fax: 812-378-7048

Revenues

Total	$2,100,000
Claims administration	100%
Claims revenue	$2,100,000

Claims business by type

Health insurance	100%
Employees covered	15,500
Dependents covered	27,400

Claims business by volume

Administration claims paid	$28,600,000

Clients

Administration	7

Staff

Total	57
Claims services	16

Claims services since: 1987.
Service area: Indiana.
Membership: SIIA.
Officers: Roy H. Flaherty, president/CEO; Michael Sabin, CFO; Kim Singleton, COO; Debbie Kirkpatrick, medical director; John DeLap, marketing director.
Contact: John DeLap.

T

TIC International Corp.

11590 N. Meridian St., Suite 600, Carmel, Ind. 46032-4529; 317-580-8686; fax: 317-580-8651

Revenues

Total	$7,000,000
Claims administration	70%
Claims adjusting	10%
Other services	20%
Includes: actuarial consulting	
Claims revenue	$5,500,000

Claims business by type

Disability	10%
Health insurance	50%
Pensions	40%

Clients

Administration	90
Adjusting	30

Staff

Total	130
Claims services	110

Claims services since: 1951.
Service area: Nationwide, excluding the West.
Branch offices: Administrative and sales offices in Detroit and East Lansing, Mich.; Indianapolis; New York.
Membership: SPBA, IFEBP.
Officers: Stephen M. Kraebel, COO; John M. Myer, CFO; Jim Schreiber, Ed Rozman, vps; Len Tzierwa, executive vp.

Tayson Insurance Administrators

54 Corporate Park, Irvine, Calif. 92714; 714-251-8970; fax: 714-476-2443

Revenues

Claims administration	100%

Claims business by type

Health insurance	100%
Employees covered	13,000
Dependents covered	40,000

Claims business by volume

Administration claims paid	$24,000,000

Clients

Administration	22

Staff

Total	22
Claims services	21

Claims services since: 1983.
Service area: Nationwide.
Branch offices: Administrative offices in Riverside and Ventura, Calif.
Membership: SPBA.
Officers: Roberta Taylor, president; Ivan Stevenson, CFO.
Contact: Glen Michael, director-claims administration.

Tedro & Associates Inc.

2160 S. Foster Ave., Wheeling, Ill. 60090; 708-577-8828; fax: 708-577-8869

Revenues

Total	$3,000,000
Claims administration	70%
Other services	30%

Claims business by type

Disability	3%
Health insurance	90%
Employees covered	18,000
Dependents covered	35,000
Life	4%
Pensions	3%

Claims business by volume

Administration claims paid	$26,000,000

Clients

Administration	42
Adjusting	37

Staff

Total	45
Claims services	40

Claims services since: 1979.
Service area: Midwest, East.
Branch offices: Administrative and sales offices in Belleville, Ill.; District of Columbia; Milwaukee.
Membership: SPBA, SIIA, IFEBP.
Officers: Gerald A. Mele, president/CEO; Robert C. Calamari, executive vp/secretary; Laura Shotsberger, treasurer.
Contact: Gerald A. Mele.

Texas Administrators Inc.

17110 N. Dallas Parkway, Suite 210, Dallas, Texas 75248; 214-250-1099; fax: 214-248-5838

Revenues

Total	$4,850,000
Claims administration	95%
Claims auditing	5%

Claims business by type

Disability	5%
Flex compensation	5%
Health insurance	85%
Workers compensation	5%

Claims business by volume

Administration claims paid	$60,300,000
Auditing projects conducted	15

Clients

Administration	53

Staff

Total	48
Claims services	45

Continued on next page

THE DAWN OF A NEW ERA IN BENEFIT SERVICES.

One company, **CENTRA Benefit Services,** has risen above all others to redefine benefit services and how they are delivered to self-funded employers.

CENTRA's integrated services are client-driven and emphasize preventing problems, rather than intervening once they happen. Propelled by this outlook, CENTRA has grown to become one of the largest, most stable claims administrators in the nation.

Through it all, we've managed to maintain the same qualities that attracted our first clients: innovation, flexibility, responsiveness and service that exceeds expectations. We've kept the same aggressive outlook that has made us a leader in information management, processing technology and integrated, automated managed care systems.

As sure as the sun rises every morning, CENTRA can elevate you above the rest to achieve better value in your benefits programs.

CENTRA
BENEFIT SERVICES

Tomorrow's benefit services today.

7803 Glenroy Road, Bloomington, MN 55439
Tel (612) 830-8155 Fax (612) 830-8150

Continued from previous page

Claims services since: 1989.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Derek Lancaster, president; Aaron Lancaster, executive vp; Daren Lancaster, Willa Goodman, vps.
Contact: Derek Lancaster.

Third Party Claims Management Inc.

5221 N. O'Connor Road, Suite 300, Irving, Texas 75039; 214-432-3700; fax: 214-432-3761

Revenues	
Total	$12,000,000
Claims administration	100%
Claims revenue	$12,000,000
Claims business by type	
Flex compensation	10%
Health insurance	90%
Employees covered	98,100
Dependents covered	245,300
Claims business by volume	
Administration claims paid	$300,000,000
Clients	
Administration	215
Staff	
Total	200
Claims services	200

Claims services since: 1984.
Parent: Millennium Healthcorp.
Service area: Nationwide.
Branch offices: Administrative offices in Harrisburg, Pa.; Memphis, Tenn.; North Olmstead, Ohio; San Bernardino, Calif. Sales offices in Harrisburg, Pa.; North Olmsted, Ohio.
Membership: SPBA, SIIA.
Officers: Mike Formhals, president/COO; Price Ewing, vp-claims administration; Diana Valdez, vp-client administration; Jaime Najera, director-systems development; Kim Bordelon, director-technical support.
Contact: Mike Formhals.

Three Rivers Benefit Corp.

518 Eighth St., Suite E, P.O. Box 3440, Sioux City, Iowa 51102; 712-258-1525; fax: 712-255-3521

Revenues	
Total	$425,000
Claims administration	100%
Claims revenue	$425,000
Claims business by type	
Disability	1%
Flex compensation	3%
Health insurance	96%
Employees covered	4,200
Claims business by volume	
Administration claims paid	$5,000,000
Clients	
Administration	51
Staff	
Total	11
Claims services	4

Claims services since: 1975.
Service area: Upper Midwest.
Membership: SPBA.
Officers: Peter D. Benson, R. James Buswell, owners.
Contact: Theresa Gray.

Total Benefit Services Inc.

225 Baronne St., Suite 914, New Orleans, La. 70112; 504-596-3150; fax: 504-596-3172

Revenues	
Total	$1,250,000
Claims administration	100%
Claims revenue	$1,250,000
Claims business by type	
Health insurance	100%
Employees covered	32,000
Dependents covered	48,500
Claims business by volume	
Administration claims paid	$36,000,000
Clients	
Administration	13
Staff	
Total	35
Claims services	35

Claims services since: 1978.
Service area: Nationwide.
Membership: SIIA.
Officers: A. Michael Lawrence, president/CEO; Sandra S. DeBlanc, executive vp.
Contact: Jessica L. Tynes or Steven J. Roth.

Total Program Administrators

7130 Glen Forest Drive, Suite 102, Richmond, Va. 23226; 804-673-5800; fax: 804-673-5902

Revenues	
Total	$8,000,000
Claims administration	100%
Claims revenue	$8,000,000
Claims business by type	
Flex compensation	3%
Health insurance	97%
Employees covered	53,956
Dependents covered	123,271
Claims business by volume	
Administration claims paid	$115,000,000
Clients	
Administration	85
Staff	
Total	91
Claims services	91

Claims services since: 1987.
Parent: Blue Cross & Blue Shield of Virginia.
Service area: District of Columbia, Maryland, North Carolina, Virginia.
Branch offices: Sales offices in Columbia, Md.
Claims subsidiaries: Consolidated Risk Management Services, Richmond, Va.
Membership: SIIA.
Officers: William D. Monday Jr., president; Jim LePrell, director-flex benefits; Hubie Register, director-operations; Stephen R. Hall, vp-finance.

The Travelers Plan Administrators Inc.

1 Tower Square, Suite 1MS, Hartford, Conn. 06183; 203-277-1116; fax: 203-954-5479

Revenues	
Total	$62,000,000
Claims administration	96%
Claims auditing	2%
Other services	2%
Claims revenue	$60,760,000
Claims business by type	
Disability	10%
Flex compensation	5%
Health insurance	85%
Employees covered	526,800
Dependents covered	1,132,620
Claims business by volume	
Administration claims paid	$1,562,400,000
Auditing projects conducted	15
Clients	
Administration	687
Adjusting	9
Staff	
Total	603
Claims services	603

Claims services since: 1985.
Parent: The Travelers Cos.
Service area: Nationwide.
Claims subsidiaries: The TPA of Arizona, Phoenix; The TPA of California, Walnut Creek, Calif.; The TPA of Colorado, Englewood, Colo.; The TPA of Connecticut, North Haven, Conn.; The TPA of Florida, Sarasota, Fla.; The TPA of Illinois, Schaumburg, Ill.; The TPA of Minnesota, Minneapolis; The TPA of Ohio, Seven Hills, Ohio; The TPA of Pennsylvania, Blue Bell, Pa.; The TPA of Tennessee, Brentwood, Tenn.; The TPA of Texas, Dallas; The TPA of Texas-Fort Worth, Fort Worth, Texas; The TPA of Washington, Seattle.
Membership: SIIA, NAEBA.
Officers: Stephen F. Rasnick, president; Ronald D. Binder, CFO; Jeffrey S. Carter, vp-marketing/sales; John Barber, vp-operations; William Keister, director-MIS.
Contact: Stephen F. Rasnick.

Tucker & Clark Administrators Inc./dba Tucker & Clark

14755 Preston Road, Suite 525, Dallas, Texas 75240; 214-392-2930; fax: 214-490-6347

Revenues	
Total	$3,000,000
Claims administration	85%
Other services	15%
Claims revenue	$2,450,000
Claims business by type	
Disability	3%
Flex compensation	5%
Health insurance	90%
Employees covered	27,777
Life	2%
Claims business by volume	
Administration claims paid	$54,265,357
Clients	
Administration	81
Staff	
Total	44
Claims services	15

Claims services since: 1982.

Continued on next page

READER REPLY SERVICE

PRODUCTS & SERVICES LISTING

Issue of February 7

Reader Service #	Advertiser	Page #
—	American Compensation Assoc.	38
—	Centra Benefits	43
1	Claims Overload Systems	53
2	Commonwealth Risk Service	4
3	Conservco	18-19
4	Continental Insurance	14-15
5	Corporate Systems Corp.	10
6	Cover X	28
7	Dentafits Inc.	42
8	ECS Underwriting Inc.	25
9	Environmental Claims Adm.	12
—	Exchange, The	40
10	Express Scripts	52
35	Facts Services Inc.	49
11	John Hancock Mutual Life	31
12	John Hancock Mutual Life	13
13	Helmsman Management Svcs.	11
14	HIAA/Health Ins. Assoc.	41
15	Intl'l. Found. of Empl. Benefits	33
16	Intracorp	9
17	LDG Reinsurance Underwriters	34
18	Lincoln National Reinsurance	20
—	Medview Services, Inc.	47
19	Minet Inc.	7
—	R. E. Moulton Insurance Agency	26
20	Multiplan Inc.	32
21	National Benefit Resources	37
—	Prudential Legal Plan	49
22	Rehability Corp.	51
23	Reliance National	64
24	Reliance Re	22-23
25	Resource Inform. Mgmt. Systems	39
26	F. A. Richard & Associates	16
—	Safeco Insurance Company	6
27	Safety Natl. Casualty Corp.	41
—	Schirmer Engineering	50
28	SCOR U.S.	27
—	Spectrum Insurance Group	46
29	Tennant Risk Services	47
30	Thomas Howell/Gay & Taylor	30
31	Toplis & Harding	40
32	Trans General Life & Casualty	24
—	U.S. Facilities	29
—	Vista Administrators, Inc.	42
—	Carl Warren	33
33	Wausau Insurance Company	5
34	Western Atlantic	17

READER SERVICE

To obtain free information on the products and services advertised, turn to our post-paid Reader Service Reply Card bound in this issue, or complete the coupon below and mail to:

BUSINESS INSURANCE
Reader Service Center
650 So. Clark St., 6th Fl.
Chicago, IL 60605-1702

Business Insurance®

FREE LITERATURE FOR READERS

Issue Date: FEBRUARY 7, 1994
Card Expiration: APRIL 4, 1994

All questions must be answered to process inquiries.

PLEASE CHECK ONE ITEM FOR EACH CATEGORY:

1. My organization is best described as:
A ❑ Mfg/Svcs B ❑ Association C ❑ Union D ❑ Government E ❑ Educational Inst F ❑ Ins Agent G ❑ Ins Broker H ❑ Ins/Reins Co I ❑ Actry/Consit J ❑ Attorney K ❑ Adj/Apprs L ❑ TPA M ❑ Health care Inst N ❑ Other ____

2. Number of employees:
1 ❑ 150 or less 2 ❑ 151 - 499 3 ❑ 500 - 999 4 ❑ 1,000 - 4,999 5 ❑ 5,000 or more 6 ❑ Unknown

3. My title is best defined as:
A ❑ Administrative Mgt B ❑ Financial Mgt C ❑ Risk Mgt D ❑ Benefits Mgt E ❑ Loss Prevention Mgt F ❑ Other_____

4. My purchasing involvement for the requested products is to :
1 ❑ recommend only 2 ❑ specify 3 ❑ approve

5. Do you now receive a personally addressed copy of *Business Insurance*?
A ❑ Yes B ❑ No, so please send subscription info

Circle the numbers below that correspond to the companies listed on our Advertiser Index for the **February 7, 1994** issue. Cards with more than 20 items circled will not be processed. This card expires **April 4, 1994.**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40	41	42	43	44	45
46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70	71	72	73	74	75
76	77	78	79	80	81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100	101	102	103	104	105
106	107	108	109	110	111	112	113	114	115	116	117	118	119	120
121	122	123	124	125	126	127	128	129	130	131	132	133	134	135
136	137	138	139	140	141	142	143	144	145	146	147	148	149	150

Please print clearly

Name _____
Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Phone ( ) _____

Continued from previous page

Service area: Nationwide.
Branch offices: Sales offices in Lenexa, Kan.
Claims subsidiaries: Tucker & Clark Inc.
Membership: SPBA, SIIA.
Officers: John W. Clark, president; Barbara J. Clark, vp/secretary/treasurer.
Contact: John W. Clark.

U

UNUM/Thomas L. Jacobs & Associates Inc.

227 W. Monroe St., Suite 2700, Chicago, Ill. 60606; 312-346-01555; fax: 312-346-1171

Revenues	
Claims administration	80%
Claims adjusting	10%
Other services	10%
Claims business by type	
Disability	100%
Clients	
Administration	150
Staff	
Total	95
Claims services	90

Claims services since: 1981.
Parent: UNUM Corp.
Service area: Nationwide.
Officers: Jeanne Sheridan, LTD director; Bill Berenson, STD director; Betty Ernst, LTD manager; Karen Stacey, STD manager; Glen Svenningsen, client services manager.
Contact: Jeanne Sheridan.

United Medical Resources Inc.

2343 Aubum Ave., Cincinnati, Ohio 45219; 513-651-3737; fax: 513-651-4356

Revenues	
Total	$10,600,000
Claims administration	100%
Claims revenue	$10,600,000
Claims business by type	
Disability	1.56%
Flex compensation	4.72%
Health insurance	92.92%
Employees covered	139,873
Dependents covered	202,815
Other	0.8%
Includes: special reports	
Claims business by volume	
Administration claims paid	$175,568,433
Clients	
Administration	130
Staff	
Total	185
Claims services	129

Claims services since: 1984.
Service area: Nationwide.
Branch offices: Administrative offices in Newport, Ky.
Membership: SPBA, SIIA, IFEBP.
Officers: Victoria B. Buyniski, president; Julie D. Mueller, vp-marketing/installations.
Contact: Julie D. Mueller.

USAble Administrators

320 W. Capitol, Suite 500, Little Rock, Ark. 72201; 501-378-3740; fax: 501-378-6980

Revenues	
Total	$8,000,000
Claims administration	75%
Other services	25%
Includes: HMO-type network management, case management, preadmission review	
Claims revenue	$6,000,000
Claims business by type	
Health insurance	100%
Employees covered	70,154
Dependents covered	100,761
Claims business by volume	
Administration claims paid	$175,000,000
Clients	
Administration	51
Staff	
Total	112

Claims services since: 1981.
Parent: First Pyramid Life Insurance of America.
Service area: Nationwide.
Membership: SIIA.
Officers: Randy Spicer, CEO; David Bridges, vp-operations; Jim Bailey, vp-marketing; Ken Pearson, controller; Joy Evans, manager-operations.

V

Variable Protection Administrators Inc.

6902 Pearl Road, Suite 500, Lincoln Towers, Cleveland, Ohio 44130; 800-872-8637; fax: 216-884-2130

Revenues	
Total	$255,000
Claims administration	100%
Claims revenue	$255,000
Claims business by type	
Health insurance	100%
Claims business by volume	
Administration claims paid	$7,500,000
Clients	
Administration	131
Staff	
Total	17
Claims services	11

Claims services since: 1968.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: David T. Manley, president; Timothy M. Eisenmann, COO/vp; Susan Maddock, executive vp; David Campbell, director.

Vista Administrators Inc.

444 W. Galena, P.O. Box 10, Aurora, Ill. 60507; 708-844-2151; fax: 708-844-0465

Revenues	
Claims administration	92%
Other services	8%
Includes: flexible compensation	
Claims business by type	
Flex compensation	8%
Health insurance	92%
Claims business by volume	
Administration claims paid	$4,300,000
Clients	
Administration	9
Staff	
Total	5
Claims services	3

Claims services since: 1982.
Service area: Midwest, Texas.
Membership: NAEBA.
Officers: Nicholas Viola, president/CEO; Marilee Viola, secretary/legal counsel.
Contact: Nicholas Viola.

Voluntary Plan Administrators Inc.

23622 Calabasas Road, Suite 250, Calabasas, Calif. 91302; 818-591-9444; fax: 818-591-7664

Revenues	
Total	$5,313,000
Claims administration	95%
Claims adjusting	3%
Claims auditing	2%
Claims revenue	$5,313,000
Claims business by type	
Disability	100%
Claims business by volume	
Administration claims paid	$72,608,228
Clients	
Administration	238
Staff	
Total	96
Claims services	96

Claims services since: 1979.
Service area: Nationwide.
Branch offices: Sales offices in Scottsdale, Ariz.
Membership: SPBA, SIIA.
Officers: John H. (Jack) Bredehorn.

Volusia Health Network

111 N. Frederick Ave., Suite 500, Daytona Beach, Fla. 32114-3414; 904-253-2198; fax: 904-255-6130

Revenues	
Claims administration	60%
Other	40%
Including: managed care services, utilization review	
Claims business by type	
Health insurance	100%
Employees covered	2,000
Dependents covered	2,200
Claims business by volume	
Administration claims paid	$4,000,000
Clients	
Administration	1
Staff	
Total	8
Claims services	4

Claims services since: 1986.
Parent: Halifax Medical Center.
Service area: Florida.
Officers: David Seal, president; Ron Rees, vp; Edward Heverin, secretary/treasurer.
Contact: David Seal.

W

Western States Administrators

5130 E. Clinton Way, Fresno, Calif. 93727; 209-251-4861; fax: 209-255-3954

Revenues	
Total	$9,000,000
Claims administration	27%
Other services	73%
Includes: claims administration for fully insured, pensior services, cafeteria plan administration	
Claims revenue	$2,500,000
Claims business by type	
Disability	1%
Flex compensation	10%
Health insurance	84%
Pensions	5%
Claims business by volume	
Administration claims paid	$25,000,000
Clients	
Administration	49
Staff	
Total	180
Claims services	60

Claims services since: 1972.
Parent: NAC Corp.
Service area: Nationwide.
Branch offices: Sales offices in Sacramento, Calif.
Claims subsidiaries: Quality Care Medical Assurance Program Inc., Fresno, Calif.
Membership: SPBA, SIIA, IFEBP.
Officers: Robert H. Rath, president; David Kuszmar, vp-health administration; Frank Shanahan, vp-finance; Robert Ormellas, vp-secretary; Keith Gregory, vp.
Contact: Robert H. Rath.

Woods & Grooms Inc.

3126 17th St., Columbus, Ind. 47021; 812-372-9955; fax: 812-379-2077

Revenues	
Total	$2,500,000
Claims administration	52%
Other services	48%
Claims revenue	$1,125,000
Claims business by type	
Flex compensation	10%
Health insurance	90%
Employees covered	9,000
Dependents covered	22,000
Claims business by volume	
Administration claims paid	$26,000,000
Clients	
Administration	64
Staff	
Total	38
Claims services	27

Claims services since: 1978.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Phillip L. Woods, chairman; Michael W. Willett, president; Michael Fredrickson, Ramona Lacey, vps.
Contact: Ramona Lacey.

Z

Zenith Administrators Inc.

7645 Metro Blvd., Edina, Minn. 55439; 612-835-7035; fax: 612-835-6966

Revenues	
Total	$45,500,000
Claims administration	45%
Other services	55%
Claims revenue	$20,500,000
Claims business by type	
Disability	5%
Health insurance	90%
Employees covered	260,389
Dependents covered	650,972
Life	5%
Claims business by volume	
Administration claims paid	$500,000,000
Clients	
Administration	275
Staff	
Total	850
Claims services	325

Claims services since: 1967.
Parent: ULLICO Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Albuquerque, N.M.; Beaumont, Dallas, Houston and San Antonio, Texas; Boston and Springfield, Mass.; Chicago and Springfield, Ill.; Denver; District of Columbia; Duluth and Minneapolis, Minn.; Indianapolis; Kansas City and St. Louis, Mo.; Lansing, Mich.; Little Rock, Ark.; Los Angeles and San Francisco, Calif.; Louisville, Ky.; Madison, Wis.; Metairie, La.; Milwaukee; Oklahoma City; Phoenix; Portland, Ore.; Seattle and Spokane, Wash.; West Palm Beach, Fla.
Membership: SPBA, IFEBP.
Officers: James W. Luce, Jerome P. Pollock, Gary L. Eng, Dean Kalahar, Robert A. Georgine. BI

BI directory of property/casualty claims specialists

A

ASU Risk Management Services Ltd.

2120 University Park Drive, P.O. Box 77, Okemos, Mich. 48864; 517-349-6700; fax: 517-349-9063

Revenues	
Total	$18,600,000
Claims administration	17%
Claims auditing	0.5%
Other services	82.5%
Includes: adjusting for insurers, fire investigations, rehabilitation counseling, medical case management	
Claims revenue	$3,200,000
Claims business by type	
General liability	15%
Workers compensation	75%
Other	10%
Includes: products, liquor, special liability programs	
Claims business by volume	
Administration claims paid	$54,000,000
Auditing projects conducted	2
Clients	
Administration	3
Adjusting	158
Auditing	10
Staff	
Total	360
Claims services	65

Claims services since: 1952.
Service area: Nationwide.
Branch offices: Administrative offices in: Edina, Minn.; Grand Rapids and Livonia, Mich.; Indianapolis.
Claims subsidiaries: Adjusting Services Unlimited Inc.
Membership: SIIA.
Officers: Mike Csom, chairman; L.C. Musser, president; J.R. Gabel, executive vp; April Zelinski, vp/secretary; M.A. Wood, treasurer.

Alexsis Inc.

17187 N. Laurel Park Drive, Laurel Office Park, Suite 423, Livonia, Mich. 48152; 313-953-4400; fax: 313-953-4515

Revenues	
Total	$95,000,000
Claims administration	90%
Other services	10%
Includes: excess coverage marketing, loss control consulting	
Claims revenue	$85,600,000
Claims business by type	
Automobile	5%
General liability	20%
Property damage	5%
Workers compensation	70%
Claims business by volume	
Administration claims paid	$1,200,000,000
Clients	
Administration	1,068
Staff	
Total	1,321
Claims services	1,321

Claims services since: 1932.
Parent: Alexander & Alexander Inc.
Service area: Nationwide.
Branch offices: Administrative and sales offices in 57 locations nationwide, including Honolulu.
Claims subsidiaries: Corporate Service Inc., Claimco Corp., Alexsis Risk Management Services Inc., Employers Underwriters Inc.
Membership: NAEBA.
Officers: Kevin J. Smith, chairman/CEO; Clyde K. Hensley, president/COO; William C. Wallace, senior vp/CFO; M. Ollie Parker, senior vp-claims/quality control; J. Darwin Daniel, senior vp-sales.

Allied Claim Services Inc.

372 Ellen Drive, P.O. Box 488, Buffalo, N.Y. 14225-0488; 716-631-9505; fax: 716-631-0226

Revenues	
Claims administration	45%
Claims adjusting	33%
Other services	22%
Includes: investigations, adjustment and administration of claims for insurance companies	
Claims business by type	
Automobile	21%
General liability	48%
Professional liability	1%
Property damage	9%
Workers compensation	21%
Claims business by volume	
Administration claims paid	$7,367,000
Clients	
Administration	26
Adjusting	12
Staff	
Total	28
Claims services	13

Claims services since: 1959.
Service area: New York, Pennsylvania, southern Ontario.
Membership: SIIA.
Officers: Gregory J. Dendler, president; Paul J. Nowak, Patrick H. Dendler, vps; Michael S. O'Shei, property manager; Marilyn Koenig, assistant secretary-corporate.
Contact: Gregory J. Dendler.

ARISCO

417 Montgomery St., San Francisco, Calif. 94104; 415-986-3999; fax: 415-986-4421

Revenues	
Claims administration	25%
Claims adjusting	50%
Other services	25%
Includes: brokerage services	
Claims business by type	
Professional liability	100%
Clients	
Administration	2
Adjusting	2
Staff	
Total	45
Claims services	30

Claims services since: 1979.
Service area: California, Nevada.
Branch offices: Administrative offices in San Diego. Sales offices in Los Angeles.
Membership: SIIA.
Officers: Aaron Richardson, president; Ronald Shepherd, executive vp; Jan Lester, Lynn Offenhartz, Sandra Mahon, senior vps.

Continued on next page

Continued from previous page

Associated Claims Management Inc.

390 N. Wiget Lane, P.O. Box 31077, Walnut Creek, Calif. 94598; 510-930-9883; fax: 510-930-7268

Revenues

Total $20,000,000
Claims administration 88%
Claims adjusting 5%
Claims auditing 5%
Other services 2%

Claims business by type

Automobile 2%
General liability 20%
Property damage 3%
Workers compensation 75%

Claims business by volume

Administration claims paid $250,000,000

Clients

Administration 230
Adjusting 35
Auditing 3

Staff

Total 350
Claims services 325

Claims services since: 1982.
Parent: Foundation Health Corp.
Service area: California.
Branch offices: Administrative and sales offices in Brea and San Ramon, Calif.
Claims subsidiaries: Advanced Loss Services Inc., Foundation Health Medical Resources Management.
Officers: Denise L. Shull, president/COO; Ronald Van Buskirk, vp-sales; Stephen Smith, vp-finance; Gary Graham, vp-administration.
Contact: Ronald Van Buskirk.

Association Self Insurance Services Inc.

166 Commerce St., Montgomery, Ala. 36104; 205-265-7700; fax: 205-265-4762

Revenues

Total $4,700,000
Claims administration and adjusting 94%
Other services 6%
Includes: loss control, marketing and auditing
Claims revenue $4,400,000

Claims business by type

Automobile 5%
General liability 10%
Property damage 2%
Workers compensation 83%

Claims business by volume

Administration claims paid $20,269,957

Clients

Administration 5

Staff

Total 61
Claims services 60

Claims services since: 1987.
Service area: Alabama.
Membership: SIIA.
Officers: W. Dan Oaks, president/chairman; John J. Strickland Jr., John E. Hassett, vps.
Contact: W. Dan Oaks or John E. Hassett.

B

Gregory B. Bragg & Associates Inc.

1 Sierra Gate Plaza, Suite 230A, Roseville, Calif. 95678; 916-783-0100; fax: 916-783-0338

Revenues

Total $3,000,000
Claims administration 65%
Claims adjusting 3%
Claims auditing 2%
Other services 30%
Includes: claims adjusting for clients other than self-insurers, safety and loss control
Claims revenue $2,100,000

Claims business by type

Automobile 15%
General liability 40%
Professional liability 2%
Property damage 3%
Workers compensation 40%

Claims business by volume

Auditing projects conducted 3

Clients

Administration 93
Adjusting 14
Auditing 3

Staff

Total 50
Claims services 35

Claims services since: 1986.
Service area: California.
Branch offices: Administrative offices in Chico, Fairfield, Redding, Sacramento, Stockton and Walnut Creek, Calif.
Officers: Gregory B. Bragg, president; Lee Collins, vp/secretary; Jeff Kimball, CFO.
Contact: Greg Bragg.

Brentwood Services Inc.

P.O. Box 1125, Brentwood, Tenn. 37024-1125; 615-371-9211

Revenues

Claims administration 70%
Claims auditing 10%
Other services 20%
Includes: loss control services

Claims business by type

Workers compensation 100%

Claims business by volume

Administration claims paid $1,050,486
Auditing projects conducted 6

Clients

Administration 8
Auditing 6

Staff

Total 11
Claims services 11

Claims services since: 1991.
Service area: Alabama, Arkansas, Georgia, Kentucky, Mississippi, Tennessee.
Branch offices: Administrative offices in Atlanta.
Officers: Richard Hammer, chairman; Vicki L. Hammer, president; Karen M. Porter, director-operations.
Contact: Keith Fawcett, senior vp, 800-524-0604.

C

CCMS

2340 River Road, Des Plaines, Ill. 60018; 708-803-6200

Revenues

Claims administration 75%
Claims auditing 25%

Claims business by type

Automobile 10%
General liability 15%
Workers compensation 75%

Claims business by volume

Auditing projects conducted 10

Clients

Administration 39
Auditing 25

Staff

Total 12
Claims services 12

Claims services since: 1987.
Service area: Alabama, Illinois, Indiana, Iowa, Michigan, Missouri, Wisconsin.
Officers: Dan Huggins, president; Marianne Veltri, vp.

CDS of Nevada Inc.

3700 Grant Drive, Reno, Nev. 89589; 702-826-6855; fax: 702-826-9224

Revenues

Claims administration 90%
Other services 10%
Includes: auditing and claims management services for other than self-insurers

Claims business by type

Workers compensation 100%

Claims business by volume

Administration claims paid $34,000,000

Clients

Administration 63

Staff

Total 50
Claims services 45

Claims services since: 1980.
Service area: Nevada.
Branch offices: Administrative and sales offices in Las Vegas.
Officers: L.R. Zimmerman, president; C.J. Verre, vp; R.L. Gresham Jr., secretary.

California Safety & Claims

3906 E. Pico, Fresno, Calif. 93726; 209-292-9200; fax: 209-226-6253

Revenues

Claims administration 55%
Other services 45%

Claims business by type

Workers compensation 100%

Claims business by volume

Administration claims paid $246,000

Clients

Administration 2
Adjusting 4
Auditing 1

Staff

Total 3
Claims services 1

Claims services since: 1986.
Service area: California.
Officers: Robert W. McCollister, president.

Campos & Stratis

310 Cedar Lane, Teaneck, N.J. 07666; 201-692-0300; fax: 201-692-0722

Revenues

Claims auditing 20%
Other services 80%

Claims business by type

Bonds 10%
Inland marine 5%
Ocean marine 5%
Professional liability 10%
Property damage 70%

Clients

Auditing 15

Staff

Total 252

Service area: Nationwide.
Branch offices: Administrative and sales offices in Boston; Charlotte, N.C.; Chesterfield, Mo.; Dallas; Des Moines, Iowa; Englewood, Colo.; Hoffman Estates, Ill.; Houston, Indianapolis; Los Angeles, Orange, Rancho Cordova, San Diego and San Francisco, Calif.; Marietta, Ga.; Longwood and Miami, Fla.; Minneapolis; New York; Philadelphia; Pittsburgh; Seattle; Waukesha, Wis.; London; Montreal, Toronto and Vancouver, Canada; San Juan, Puerto Rico; Paris.
Officers: Chris Campos, Steve Rosenthal, Mark Gallagher, Jeff Baliban, Louis Magnan.

Caronia Corp.

Corporate Center, 395 N. Service Road, Suite 200, Melville, N.Y. 11747; 800-227-6642; fax: 516-845-5001

Revenues

Claims administration 50%
Claims adjusting 10%
Claims auditing 20%
Other services 20%
Includes: certification of reserve adequacy, claim runoffs, litigation management

Claims business by type

General liability 10%
Professional liability 65%
Workers compensation 15%
Other 10%
Includes: product liability, EEOC claims

Claims business by volume

Administration claims paid $60,000,000
Auditing projects conducted 88

Clients

Administration 187
Adjusting 12
Auditing 88

Staff

Total 205
Claims services 140

Claims services since: 1969.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Albany and New York, N.Y.; Atlanta; Baltimore; Boston; Chicago; Dallas, Houston and San Antonio, Texas; Denver; Greenville, S.C.; Louisville, Ky.; Miami, Palm Beach Gardens and Tampa, Fla.; Nashville, Tenn.; New Orleans, La.; Newport Beach, San Diego, San Francisco and Santa Monica, Calif.; Seattle; St. Louis; Washington.
Membership: SIIA.
Officers: Charles A. Caronia, president; Charles McGill, Joseph Diheron, Benjamin Thompson, executive vps.
Contact: Charles McGill.

Casualty Claim Specialists Inc.

P.O. Box 2848, Livonia, Mich. 48151; 810-478-8420; fax: 810-478-7312

Revenues

Total $400,000
Claims administration 25%
Claims adjusting 35%
Other services 40%
Includes: adjusting for insurance companies
Claims revenue $240,000

Claims business by type

Automobile 25%
Bonds 5%
General liability 30%
Professional liability 15%
Workers compensation 25%

Claims business by volume

Administration claims paid $300,000

Clients

Administration 1
Adjusting 15

Staff

Total 5
Claims services 2

Claims services since: 1981.
Service area: Michigan.
Officers: John W. Byberg, president.

Center for Claims Resolution

116-300 Village Blvd., Princeton, N.J. 08540; 609-520-6800; fax: 609-520-6801

Revenues

Claims administration 60%
Other services 40%

Claims business by type

Other 100%
Includes: asbestos personal injury/toxic tort claims administration

Claims business by volume

Administration claims paid $100,000,000

Clients

Administration 20

Staff

Total 140
Claims services 30

Claims services since: 1988.
Service area: Nationwide.
Officers: Lawrence Fitzpatrick, president/CEO; Michael F. Rooney, COO; Joseph Jordan, CFO.
Contact: Richard C. Bargon, director.

Chubb Services Corp.

25 Independence Blvd., Warren, N.J. 07059; 800-543-4580; fax: 908-580-7187

Revenues

Claims administration 50%
Claims adjusting 30%
Claims auditing 5%
Other services 15%

Claims business by type

Workers compensation 100%

Staff

Total 63
Claims services 20

Claims services since: 1991.
Parent: Chubb & Son Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Harrisburg, Pa.; New York; Westborough, Mass. Sales offices in Chicago, New York.
Membership: SIIA.
Officers: Robert Felch, president; Bob Santoro, Barry Wells, Sam Lee, John Fraser, vps.
Contact: Dianne R. Andresen.

Claim Indemnity Services Inc.

P.O. Box 26227, Oklahoma City, Okla. 73126; 405-947-7660; fax: 405-942-5840

Revenues

Total $322,413
Claims administration 65%
Claims adjusting 16%
Claims auditing 1%
Other services 18%
Claims revenue $260,045

Claims business by type

Automobile 70%
General liability 5%
Inland marine 5%
Workers compensation 20%

Claims business by volume

Administration claims paid $9,300,000
Auditing projects conducted 2

Clients

Administration 19

Staff

Total 6
Claims services 4

Claims services since: 1981.
Service area: Nationwide.
Officers: Wayne M. Osmond, president; John G. Sullivan, vp; Brian G. Sullivan, treasurer; Fioretta Sullivan, secretary.
Contact: Wayne M. Osmond.

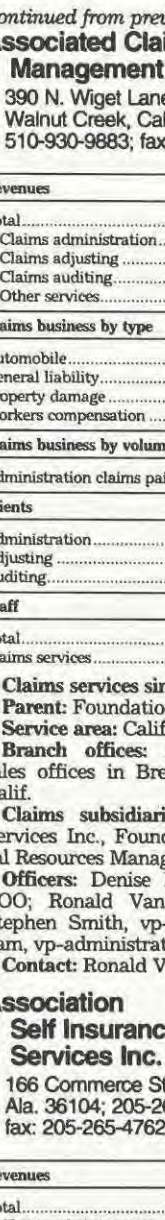
Claim Specialists Inc.

11490 Westheimer, Suite 500, Houston, Texas 77077; 713-588-1600; fax: 713-588-1601

Revenues

Total $2,800,000
Claims administration 20%

Continued on next page



Announcing

The CTFA Insurance Program

Specialized Property/Casualty Insurance Coverage For The Personal Care Products Industry

COMPREHENSIVE COVERAGE INCLUDING:

- Product/General Liability
- Workers Compensation
- Umbrella Liability
- Property
- Automobile
- Competitive Pricing

ENDORSED BY:

CTFA
THE COSMETIC, TOILETRY, AND FRAGRANCE ASSOCIATION

CONTACT:

SPECTRUM INSURANCE GROUP
Craig A. Van Doren
8 Wood Hollow Road • Parsippany, NJ 07054
201-884-4400 • 800-724-1717 (Outside NJ)
201-884-4411 FAX

Continued from previous page

Claims adjusting	50%
Claims auditing	10%
Other services	20%
Includes: fully insured claims adjusting	
Claims revenue	$2,240,000

Claims business by type

General liability	20%
Ocean marine	60%
Property damage	10%
Workers compensation	10%

Claims business by volume

Administration claims paid	$7,500,000
Auditing projects conducted	3

Clients

Administration	27
Adjusting	57
Auditing	3

Staff

Total	47
Claims services	26

Claims services since: 1990.
Parent: International Marine Casualty Services Inc.
Service area: Alabama, Florida, Louisiana, Michigan, Mississippi, Ohio, Oklahoma, Texas.
Branch offices: Administrative offices in Houma, Hammond, Lafayette and New Orleans, La.; Mobile, Ala. Sales offices in Akron, Ohio; Detroit.
Claims subsidiaries: Fisher & Associates, Detroit; Risk International, Akron, Ohio.
Officers: Del Jones, chairman; Dave Manville, president; Pat Montgomery, Fari Adorno, Judd Voohries, vps.
Contact: Dave Manville.

Claim Strategies Inc.

115 Cedar St., Providence, R.I. 02903; 401-331-6244; fax: 401-831-1941

Revenues

Total	NA
Claims administration	95%
Claims auditing	3%
Other services	2%
Claims revenue	$1,300,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$2,500,000
Auditing projects conducted	2

Clients

Administration	27

Staff

Total	15
Claims services	15

Claims services since: 1988.
Service area: Rhode Island.
Officers: Derrick Amato, vp-claims.

CLAIMCO

P.O. Box 729, Long Valley, N.J. 07853; 908-832-7752; fax: 908-832-7752

Revenues

Claims auditing	80%
Other services	20%
Includes: auditing and consulting services for reinsurers, regulators, liquidators and municipalities	

Claims business by type

Automobile	15%
General liability	30%
Professional liability	20%
Property damage	5%
Workers compensation	10%
Other	20%
Includes: reinsurance, defense counsel and regulators	

Claims business by volume

Auditing projects conducted	19

Clients

Auditing	36

Staff

Total	9
Claims services	5

Claims services since: 1982.
Service area: Nationwide.
Branch offices: Administrative offices in Califon, N.J.; Philadelphia.
Officers: John M. Monahan, president; Bill Holt, G. Dianuzzo, vps; Kevin Monahan, secretary/treasurer.
Contact: John M. Monahan.

Claims Management Services Inc.

360 Market Place, P.O. Box 1447, Roswell, Ga. 30077; 404-998-7411; fax: 404-594-9752

Revenues

Total	NA
Claims administration	89%
Claims adjusting	1%
Claims auditing	5%
Other services	5%
Includes: loss control and engineering services	
Claims revenue	$1,000,000

Claims business by type

Automobile	10%
General liability	15%
Professional liability	25%
Workers compensation	50%

Claims business by volume

Administration claims paid	$22,000,000
Auditing projects conducted	2

Clients

Administration	82
Auditing	5

Staff

Total	20

Claims services since: 1984.
Service area: Nationwide.
Branch offices: Administrative offices in Atlanta. Sales offices in Atlanta; Birmingham, Ala.; Chattanooga, Tenn.
Officers: Gene L. Jones, president/CEO; Neill G. Stevens, vp/secretary/treasurer.
Contact: Barry Lamanno, assistant vp/marketing director.

Consolidated Risk Management Services

7130 Glen Forest Drive, Suite 102, Richmond, Va. 23226; 804-673-5900; fax: 804-673-5902

Revenues

Total	$6,500,000
Claims administration	100%
Claims revenue	$6,500,000

Claims business by type

Automobile	5%
General liability	5%
Workers compensation	90%

Clients

Administration	79

Staff

Total	108
Claims services	108

Claims services since: 1968.
Parent: Blue Cross & Blue Shield of Virginia.
Service area: Maryland, North Carolina, Pennsylvania, Virginia.
Branch offices: Administrative and sales offices in Columbia and Rockville, Md.; Raleigh, N.C.
Claims subsidiaries: Total Program Administrators, Richmond, Va.
Membership: SPBA, SIIA.
Officers: William D. Monday Jr., president; Stephen R. Hall, vp-finance; Monty McFadden, Robert Cone, directors.

Constitution State Service Co.

1 Tower Square, Hartford, Conn. 06183; 203-277-3912; fax: 203-277-0142

Revenues

Total	$86,225,000
Claims administration	70%
Claims auditing	5%
Other services	25%

Claims business by type

Automobile	27%
General liability	20%
Workers compensation	52%
Other	1%
Includes: environmental	

Claims business by volume

Administration claims paid	$521,491,976

Clients

Administration	500

Staff

Total	4,000

Claims services since: 1980.
Parent: Travelers Insurance Co.
Service area: Nationwide.
Branch offices: Sales offices in Atlanta; Chicago; Dallas; New York; Walnut Creek, Calif.
Officers: Jim Nothem, chairman; Dennis Replogle, president; Robert McGinnis, treasurer.

Continental Loss Adjusting

1 Continental Drive, Cranbury, N.J. 08570-0001; 609-395-2253; fax: 609-395-5639

Revenues

Total	$200,000,000
Claims administration	3%
Claims adjusting	7%
Claims auditing	1%
Other services	89%
Includes: adjusting for insured clients	
Claims revenue	$17,400,000

Claims business by type

Automobile	22%
General liability	30%
Inland marine	2%
Professional liability	3%
Property damage	8%
Workers compensation	35%

Claims business by volume

Administration claims paid	$36,000,000
Auditing projects conducted	3

Clients

Administration	4
Adjusting	156
Auditing	2

Staff

Total	2,459
Claims services	246

Claims services since: 1918.
Parent: Continental Corp.
Service area: Nationwide.
Branch offices: 43 cities nationwide.
Officers: Mike Riney, senior vp; Paul Reid, vp-claims; Cindy S. Gates, vp-sales/service; Malcolm Franklin, secretary.
Contact: Cindy S. Gates.

Continental Risk Management Services

180 Maiden Lane, New York, N.Y. 10038; 212-440-7230; fax: 212-440-3510

Revenues

Total	$39,000,000
Claims administration	65%
Claims adjusting	10%
Claims auditing	15%
Other services	10%
Claims revenue	$37,000,000

Claims business by type

Automobile	9%
General liability	17%
Workers compensation	74%

Claims business by volume

Administration claims paid	$327,750,000

Clients

Administration	48

Staff

Total	580
Claims services	340

Claims services since: 1993.
Parent: Continental Corp.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Anaheim Hills, Calif.; Chicago; Dallas; Fort Lauderdale, Fla.
Membership: SIIA.
Officers: Adrian M. Tocklin, president; Timothy P. Mitchell, D. Kay Smith, executive vps.
Contact: E. Randall Clouser, executive vp.

Cook & Co. Workers' Compensation Group

1025 Plain St., P.O. Box 1068, Marshfield, Mass. 02050; 617-837-7300; fax: 617-837-5668

Revenues

Total	$650,000
Claims administration	100%
Claims revenue	$650,000

Claims business by type

Workers compensation	100%

Clients

Administration	23

Staff

Total	11
Claims services	11

Claims services since: 1987.
Service area: Massachusetts.
Membership: SIIA, NAEBA.
Contact: Karen M. Shanley, managing director.

Crawford & Co.

5620 Glenridge Drive N.E., Atlanta, Ga. 30302; 404-256-0830; fax: 404-847-4028

Revenues

Total	$584,912,000
Claims administration	37.3%
Claims adjusting	9.5%
Other services	53.2%
Claims revenue	$225,672,320

Claims business by type

Automobile	17.9%
General liability	21.0%
Property damage	1.3%
Workers compensation	58.4%
Other	1.4%
Includes: bonds, inland marine, ocean marine, professional liability	

Claims business by volume

Administration claims paid	$2,072,758,801

Clients

Administration	1,550
Adjusting	2,000

Staff

Total	8,848

Claims services since: 1941.
Service area: Worldwide.
Branch offices: Administrative offices in 800 locations worldwide. Sales offices in Atlanta; Chicago; Dallas; Los Angeles and San Francisco, Calif.; New York; Orlando, Fla.; Washington; London; Toronto.
Claims subsidiaries: Crawford & Co. Insurance Adjusting Ltd., Canada; The FPE Group.
Membership: SIIA.
Officers: F.L. Minix, chairman/CEO; P.A. Bollinger, president/COO-Risk Management Services; D.L. Smith, president/COO-Claims Services and president/CEO-Graham Miller International; R.P. Albright, president/COO-Health-Care Management; D.R. Chapman, executive vp/CFO.
Contact: Andrew R. Daniels, vp/national sales manager-risk management services.

Creative Services Inc.

64 Pratt St., Mansfield, Mass. 02048; 508-339-5451; fax: 508-339-2352

Revenues

Claims administration	25%
Claims adjusting	15%
Claims auditing	50%
Other services	10%

Claims business by type

Automobile	12%
Bonds	5%
Disability	2%
General liability	25%
Inland marine	3%
Professional liability	3%
Workers compensation	48%
Other	2%
Includes: fidelity	

Claims business by volume

Auditing projects conducted	1,200

Clients

Administration	5
Adjusting/auditing	148

Staff

Total	60
Claims services	20

Claims services since: 1978.
Service area: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island.
Branch offices: Administrative offices in Farmington, Conn.; Manchester, N.H.; Portland and Waldoboro, Maine; Providence, R.I.
Claims subsidiaries: Creative Claims Service.
Officers: Alan T. Sklar, president; S. Eliot Sklar, vp; Kathy Cinquegrana, treasurer; Grace A. Lopes, secretary/clerk.
Contact: Dorothy Vitale Tintle.

Peter J. Crosa

4135 LaVista Road, Suite 610-316, Tucker, Ga. 30085-5003; 404-717-7644; fax: 404-381-9486

Revenues

Claims administration	10%
Claims adjusting	90%

Claims business by type

Automobile	75%
General liability	10%
Property damage	10%
Workers compensation	5%

Claims business by volume

Auditing projects conducted	50

Continued on next page

TPAs E&O

Professional Liability Programs include coverage for TPAs:

- Self Insured Medical Plans & Workers Comp
- Insurance Agents/Brokers
- Consultants
- Other Miscellaneous Classes

For more information, call or write:

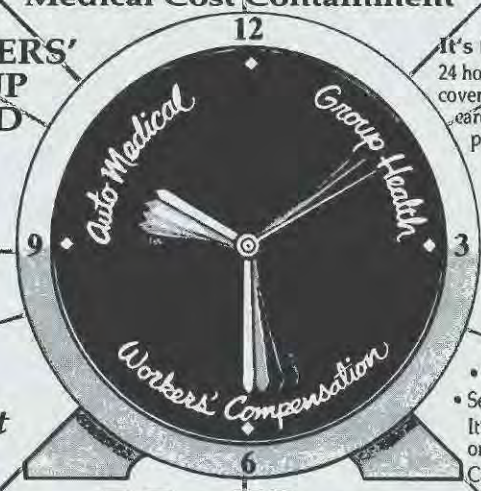
Tennant Risk Services Inc.

Cityplace II * 185 Asylum Street
Hartford, CT 06103-4105
Tel: (203) 527-9717
Fax: (203) 527-2438

'ROUND THE CLOCK
Medical Cost Containment

...FOR WORKERS' COMP, GROUP HEALTH, AND AUTO MEDICAL - LIABILITY PROGRAMS

Celebrating Over a Decade of Medical Cost Containment Since 1983



It's time to call MedView!
24 hours a day, MedView's clients are covered by comprehensive managed care and medical cost containment programs nationwide:
- Preferred Provider Organization (PPO)
- Utilization Management
- Bill Review
- Case Management

We assist:
- Insurance Companies
- Third Party Administrators
- Bill Review Firms
- Self-Insured Employers

It's time to get more information on how we can help you! Call, write or fax today!

MEDVIEW SERVICES, INCORPORATED
Subsidiary of PMSI
32991 Hamilton Court • Farmington Hills, Michigan 48334 • Phone (313) 488-5260 • Fax (313) 488-5262

Continued from previous page

Clients

Adjusting	10

Staff

Total	10
Claims services	10

Claims services since: 1987.
Service area: Nationwide.
Branch offices: Administrative offices in Atlanta.
Officers: Peter J. Crosa, president.

Curley Adjustment Bureau Inc.

306 Walnut St., Philadelphia, Pa. 19106; 215-627-5900; fax: 215-627-4176

Revenues

Total	$3,200,000
Claims administration	20%
Claims adjusting	30%
Claims auditing	10%
Other services	40%
Claims revenue	$1,750,000

Claims business by type

Automobile	25%
Bonds	10%
General liability	10%
Property damage	20%
Workers compensation	35%

Claims business by volume

Administration claims paid	$6,120,000
Auditing projects conducted	8

Clients

Administration	16
Adjusting	24
Auditing	5

Staff

Total	82
Claims services	43

Claims services since: 1933.
Service area: Delaware, New Jersey, Pennsylvania.
Branch offices: Administrative offices in Altoona, Chambersburg, Easton, Erie, Harrisburg, New Castle, Pittsburgh, Reading, Scranton, Williamsport and York, Pa.; Camden and Trenton, N.J.; Wilmington, Del.
Officers: Joseph N. Panichelli, chairman; Francis J. Marx, president/treasurer; Patricia Curley Preston, secretary; Gino F. Dattilo, vp-claims; Ellen C. Miron, assistant secretary.

E

ESIS Inc.

1601 Chestnut St., Philadelphia, Pa. 19192-2075; 215-761-6784; fax: 215-761-5596

Revenues

Claims administration	72%
Claims adjusting	3%
Claims auditing	5%
Other services	20%
Includes: loss control, risk management information systems	

Claims business by type

Automobile	27.9%
General liability	32.7%
Inland marine	0.5%
Ocean marine	0.2%
Professional liability	0.5%
Property damage	0.3%
Workers compensation	33%
Other	4.9%
Includes: administration only, major claims record only	

Claims business by volume

Administration claims paid	$980,000,000
Auditing projects conducted	25

Staff

Total	3,876

Claims services since: 1953.
Parent: CIGNA Corp.
Service area: Nationwide.
Branch offices: Sales offices in Atlanta; Boston; Chicago; Dallas; Houston; Los Angeles; New York; San Francisco.
Membership: SIIA.
Officers: Raymond E. Hafner, president; Sharon E. Simpson, assistant vp; Brian P. O'Hara, CFO.
Contact: Sharon E. Simpson.

Environmental Claims Administrators Inc.

721 E. Lancaster Ave., P.O. Box 184, Downingtown, Pa. 19335; 215-269-3941; fax: 215-269-3948

Revenues

Total	$1,500,000
Claims adjusting	23%
Claims auditing	11%
Other services	66%
Includes: claims adjusting and auditing for insurance companies and risk retention groups	

Claims revenue	$500,000

Claims business by type

Automobile	20%
Professional liability	20%
Other	60%
Includes: environmental	

Claims business by volume

Auditing projects conducted	3

Clients

Adjusting	6
Auditing	3

Staff

Total	25

Claims services since: 1990.
Parent: Environmental Compliance Services Inc.
Service area: Nationwide.
Membership: SIIA.
Officers: William Kronenberg III, president/CEO; David M. Rosenberg, executive vp; Frank Piliero, CFO; Randall E. Hobbs, vp.
Contact: Randall E. Hobbs.

F

E.C. Fackler

201 N. Wells, Suite 2002, Chicago, Ill. 60606; 312-629-0888; fax: 312-629-2506

Revenues

Total	$1,500,000
Claims administration	55%
Claims adjusting	20%
Claims auditing	10%
Other services	15%
Claims revenue	$1,300,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$1,400,000

Clients

Administration	9

Staff

Total	16
Claims services	8

Claims services since: 1991.
Service area: Illinois, Minnesota.
Branch offices: Administrative and sales offices in Edina, Minn.
Officers: Ernest C. Fackler, president; Torquka R. Johnson, claims manager; Michael J. Barrett, sales.
Contact: Ernest C. Fackler.

The Fisher Associates

3465 Torrance Blvd., Suite N, Torrance, Calif. 90503; 310-540-8803; fax: 310-543-2391

Revenues

Claims administration	20%
Claims adjusting	60%
Claims auditing	15%
Other services	5%

Claims business by type

Automobile	10%
General liability	40%
Professional liability	40%
Property damage	10%

Claims business by volume

Administration claims paid	$1,600,000
Auditing projects conducted	4

Clients

Administration	10
Adjusting	15
Auditing	5

Staff

Total	18
Claims services	9

Claims services since: 1982.
Service area: Nationwide.
Branch offices: Administrative offices in Walnut Creek, Calif.
Officers: Frederick J. Fisher, president; Aubrey Payne, Jack Foudy, vps.
Contact: Frederick Fisher.

G

GAB Business Services Inc.

9 Campus Drive, Parsippany, N.J. 07054; 201-993-3400; fax: 201-993-9579

Revenues

Total	$242,300,000
Claims administration	35%
Other services	65%
Includes: insurance companies, unbundling insurers	
Claims revenue	NA

Claims business by type

Automobile	14%
General liability	20%
Workers compensation	65%
Other	1%

Claims business by volume

Administration claims paid	$1,200,000,000

Clients

Administration	832
Adjusting	40

Staff

Total	3,350

Claims services since: 1885.
Parent: SGS North America Inc.
Service area: Nationwide.
Branch offices: Administrative offices in over 500 locations nationwide. Sales offices in: Atlanta; Chicago; Dallas; Denver; Los Angeles; Minneapolis; New York; Orlando, Fla.
Claims subsidiaries: CH&A; ITS Inc.; INS Investigations; Robins Group.
Membership: SIIA.
Officers: Richard Simon, chairman/CEO; William Bergs, president/COO; Joseph Rizzo, executive vp; John Darden, CFO; G. Roger Eiler, senior vp.
Contact: John M. Kardos, vp, 201-993-3738.

GatesMcDonald

3455 Mill Run Drive, Hilliard, Ohio 43026; 800-336-4733; fax: 614-777-3355

Revenues

Claims administration	95%
Other services	5%
Includes: loss control services	

Claims business by type

Automobile	5%
General liability	5%
Workers compensation	90%

Claims business by volume

Administration claims paid	$350,000,000

Clients

Administration	450

Staff

Total	775
Claims services	475

Claims services since: 1929.
Parent: Nationwide Mutual Insurance Co.
Service area: Nationwide.
Branch offices: Administrative and sales offices in: Atlanta; Baltimore; Baton Rouge, La.; Boston; Buffalo and New York, N.Y.; Canton, Cincinnati, Cleveland, Columbus, Dayton, Springfield and Toledo, Ohio; Charleston, W.Va.; Chicago; Concord, Emeryville, Los Angeles, Oakland, Orange County and Sacramento, Calif.; Dallas; Houston; Indianapolis; Las Vegas; Philadelphia and Pittsburgh, Pa.; Portland, Ore.; Raleigh, N.C.; St. Louis; Westport, Conn.
Claims subsidiaries: BPC of Nevada Inc., GatesMcDonald of New York Inc.
Membership: SIIA.
Officers: David K. Hollingsworth, executive vp; David R. Brown, vp-RMS; Ellen Ramlet, vp/controller; Rich Hoyt, vp-UC; Darryl B. Cook, director-marketing.

Gow Management Services Inc.

344 Delaware Ave., Buffalo, N.Y. 14202; 716-856-6148; fax: 716-856-6179

Revenues

Claims administration	90%
Claims auditing	6%
Other services	4%
Includes: claim prevention through loss control	

Claims business by type

Disability	10%
Workers compensation	85%
Other	5%
Includes: deductible programs	

Claims business by volume

Administration claims paid	$3,200,000
Auditing projects conducted	4

Clients

Administration	61
Adjusting	1
Auditing	4

Staff

Total	17
Claims services	13

Claims services since: 1982.
Parent: S.H. Gow & Co. Inc.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Rochester and Syracuse, N.Y.
Membership: SIIA.
Officers: Stephen H. Gow, chairman; Jeffrey J. Gow, president; Michael S. Gow, executive vp; Richard K. Mason, senior vp.
Contact: Michael H. Ernst, Daniel K. Conley or Richard K. Mason.

R.L. Gresham & Co. Inc.

1200 S. Fourth St, Suite O, Las Vegas, Nev. 89104; 702-384-9700; fax: 702-382-3029

Revenues

Total	$3,000,000
Claims administration	35%
Claims adjusting	65%
Claims revenue	$3,000,000

Claims business by type

Automobile	10%
General liability	88%
Inland marine	2%

Claims business by volume

Administration claims paid	$3,000,000

Clients

Administration	24
Adjusting	4

Staff

Total	70
Claims services	21

Claims services since: 1965.
Service area: Arizona, Nevada, Utah.
Branch offices: Administrative offices in: Flagstaff, Lake Havasu, Phoenix, Show Low, Tucson and Yuma, Ariz.; Laughlin and Reno, Nev.; St. George, Utah.
Officers: Robert L. Gresham Jr., Barbara Gresham, Judy L. Gresham.
Contact: Robert L. Gresham Jr.

H

Hastings-Tapley Services Inc.

60 Gore St., P.O. Box 240, Cambridge, Mass. 02141; 617-876-7510; fax: 617-494-1608

Revenues

Total	$4,030,000
Claims administration	84%
Claims adjusting	1%
Other services	15%
Includes: loss control, underwriting, excess insurance placement, policy issuance	
Claims revenue	$3,380,000

Claims business by type

Automobile	15%
General liability	15%
Property damage	3%
Workers compensation	67%

Claims business by volume

Administration claims paid	$2,700,000

Clients

Administration	6
Adjusting	2

Staff

Total	43
Claims services	41

Claims services since: 1987.
Parent: Hastings-Tapley Insurance Agency Inc.
Service area: Connecticut, Massachusetts, New Hampshire, New York, Texas, Vermont, Virginia.
Branch offices: Administrative and sales offices in Colonie, N.Y.; Dallas; Fairfield, Conn.; Glen Allen, Va.; Nashua, N.H.
Claims subsidiaries: Governmental Entities Management Services Inc., Colonie, N.Y. and Glen Allen, Va.
Officers: David J. Lane, chairman; E. Donald Lewis, president; Marsha K. Burridge, executive vp; Frederick J. England Jr., treasurer; Jennifer L. Decker, vp/secretary.
Contact: Ralph J. Gemelli, vp.

Heath Insurance Services

577 Airport Blvd., Burlingame, Calif. 94010; 415-342-1812; fax: 415-343-9582

Revenues

Total	$100,000
Claims administration	100%
Claims revenue	$100,000

Claims business by type

Workers compensation	100%

Staff

Total	5
Claims services	5

Claims services since: 1987.
Parent: C.E. Heath Holding Co.-Australia.
Service area: California.
Branch offices: Administrative offices in Fresno, Irvine, La Jolla, Sacramento and Woodland Hills, Calif.
Membership: SIIA.
Officers: Peter McCarthy, CEO; William M. Zachry, vp.
Contact: William M. Zachry.

Helmsman Management Services Inc.

9 Riverside Road, Weston, Mass. 02193; 617-243-7985; fax: 617-736-0256

Revenues

Total	$36,000,000
Claims administration	68%
Other services	32%
Claims revenue	$24,500,000

Claims business by type

Automobile	2%
General liability	20%
Workers compensation	78%

Claims business by volume

Administration claims paid	$300,000,000
Auditing projects conducted	4

Clients

Administration	271

Staff

Total	525
Claims services	495

Claims services since: 1983.
Parent: Liberty Mutual Insurance Group.
Service area: Nationwide.
Branch offices: Administrative offices in 125 cities in 45 states. Sales and loss prevention offices in more than 140 locations nationwide.
Membership: SIIA.
Officers: Gary Countryman, CEO; Edmund Kelly, president; Robert Barrese, senior vp; Amy Leddy, vp/manager.
Contact: Dan Lyons.

Heyenrath & Associates

1616 W. Dean Ave., Spokane, Wash. 99201-1825; 509-325-9726; fax: 509-325-2431

Revenues

Claims auditing	80%
Other services	20%
Includes: treaty communications, expert witness	

Claims business by type

Automobile	10%
General liability	40%
Professional liability	5%
Property damage	5%
Workers compensation	40%

Claims business by volume

Auditing projects conducted	19

Clients

Auditing	71

Staff

Total	6

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Administrative offices in Manhattan Beach, Calif.
Officers: Leo W. Heyenrath, senior partner.
Contact: Jenny Clowers, administrative assistant.

I

ITT Specialty Risk Services Inc.

55 Farmington Ave., Hartford, Conn. 06105; 203-520-2500; fax: 203-520-2503

Revenues

Total	$34,477,000
Claims administration	36%
Other services	64%
Claims revenue	$12,570,600

Claims business by type

Automobile	5%
General liability	15%
Workers compensation	80%

Claims business by volume

Administration claims paid	$599,565,542

Clients

Administration	277

Staff

Total	4,365
Claims services	353

Claims services since: 1980.
Parent: ITT Hartford Group.
Service area: Nationwide.
Branch offices: Administrative offices in 100 locations nationwide. Sales offices in: Chicago; Dallas; Los Angeles; New York; Orlando, Fla.
Membership: SIIA.
Officers: Bill Harrison, president; Lon-

Continued on next page

Continued from previous page
nie Maytubby, Holly Potvin, senior vps; Joanne Larson, Jim Leonard, vps.
Contact: Joanne Larson.

Industrial Indemnity Insurance Services Inc.

255 California St., San Francisco, Calif. 94111; 415-627-5656; fax: 415-627-5266

Revenues

Total	$1,000,000
Claims administration	100%
Claims revenue	$1,000,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$1,600,000

Clients

Administration	1

Staff

Total	12
Claims services	12

Claims services since: 1983.
Parent: Industrial Indemnity Co.
Service area: California and western states.
Branch offices: Administrative and sales offices in: Anchorage, Alaska; Boise, Idaho; Dallas; Fresno, Los Angeles, Orange, Salto and San Diego, Calif.; Honolulu; Phoenix; Portland, Ore.; St. Louis; Seattle.
Officers: Robert Puccinelli, William Mudge, Jon Shaffer, Jack Miller, Michael Varnum.
Contact: Michael Varnum.

Inservco Insurance Services Inc.

3461 Market St., P.O. Box 8898, Camp Hill, Pa. 17001-8898; 800-356-0438; fax: 717-763-5732

Revenues

Total	$7,800,000
Claims administration	60%
Claims adjusting	4%
Claims auditing	1%
Other services	35%
Includes: cost containment, rehabilitation, safety management	
Claims revenue	$4,900,000

Claims business by type

Automobile	15%
General liability	15%
Professional liability	5%
Property damage	5%
Workers compensation	60%

Claims business by volume

Administration claims paid	$14,500,000
Auditing projects conducted	10

Clients

Administration	179
Adjusting	5
Auditing	10

Staff

Total	145
Claims services	65

Claims services since: 1980.
Parent: Penn National Insurance.
Service area: Delaware, Maryland, New Jersey, North Carolina, Pennsylvania, South Carolina, Tennessee, Virginia.
Branch offices: Administrative offices in Altoona, Blue Bell and Monroeville, Pa.; Greensboro, S.C.; Hunt Valley, Md.; Trenton, N.J. Sales offices in Pittsburgh, Pa., and Trenton, N.J.
Officers: James I. Taylor, president; Robert L. Conrad, executive vp; S. Geoffrey McDowell, vp ; Barry L. Kline, treasurer; Kenneth R. Shutts, secretary/general counsel.
Contact: Roy L. Smelz III, 800-356-0438; Al Vaina, 800-222-0355; or Joseph Tamecki, 800-334-1348.

Insurance Consulting Associates Inc.

621-A Second St., Petaluma, Calif. 94952; 707-778-1118; fax: 707-778-8213

Revenues

Total	$1,100,000
Claims administration	50%
Claims adjusting	20%
Claims auditing	10%
Other services	20%

Claims business by type

Automobile	10%
Bonds	10%
General liability	30%
Life	1%
Professional liability	29%
Property damage	5%
Workers compensation	5%
Other	10%

Claims business by volume

Administration claims paid	$7,000,000
Auditing projects conducted	2

Clients

Administration	132
Adjusting	20
Auditing	37

Staff

Total	21
Claims services	14

Claims services since: 1978.
Service area: California, Oregon, Washington state.
Membership: SIIA.
Officers: Ron Blanquie, Dan Blanquie.

International Loss Control Services Ltd.

Irish Farm Centre, Bluebell, Dublin 12, Ireland; 353-1-450-4800; fax: 353-1-478-3108

Revenues

Total	$800,000
Claims administration	70%
Claims adjusting	5%
Claims auditing	5%
Other services	20%
Includes: safety management	
Claims revenue	$600,000

Claims business by type

Automobile	30%
General liability	20%
Workers compensation	50%

Claims business by volume

Administration claims paid	$4,000,000
Auditing projects conducted	5

Clients

Administration	5

Staff

Total	7
Claims services	6

Claims services since: 1983.
Parent: FBD Holdings P.L.C.
Service area: Ireland, United Kingdom.
Officers: Patrick J. O'Reilly, Eamonn Bergin.
Contact: Patrick J. O'Reilly.

J

JI Specialty Services Inc.

9420 Research Blvd., Suite 300, Austin, Texas 78759; 512-346-5314; fax: 512-346-9321

Revenues

Total	$4,300,000
Claims administration	81%
Other services	19%
Claims revenue	$3,500,000

Claims business by type

Automobile	10%
General liability	10%
Professional liability	5%
Property damage	5%
Workers compensation	70%

Claims business by volume

Administration claims paid	$12,000,000

Clients

Administration	137

Staff

Total	65
Claims services	38

Claims services since: 1988.
Parent: The Joseph Ivy Co.
Service area: Texas.
Officers: Francis J. Fey, president/CEO; William I. Martin Jr., Samuel D. Francis, Don C. Moore, executive vps.
Contact: William I. Martin Jr.

JT2 Integrated Resources

231 Market Place, Suite 381, San Ramon, Calif. 94583; 510-244-0212; fax: 510-244-0220

Revenues

Total	$1,200,000
Claims administration	98%
Other services	2%
Includes: managed care services	

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$5,000,000

Clients

Administration	43

Staff

Total	22
Claims services	22

Claims services since: 1993.
Service area: California.
Branch offices: Administrative offices in Costa Mesa, Calif. Sales offices in Ventura, Calif.
Officers: Jeff Sandford, chairman/CEO; John Casas, president; Tom Blake, COO; Theresa Fernandez, vp-claims operations.
Contact: Jeff Sandford.

JWF Specialty Co. Inc.

902 Virginia Ave., P.O. Box 1684, Indianapolis, Ind. 46206-1684; 317-236-0900; fax: 317-236-0903

Revenues

Total	$1,000,000
Claims administration	60%
Other services	40%
Includes: captive insurance company administration	
Claims revenue	$600,000

Claims business by type

General liability	40%
Workers compensation	60%

Claims business by volume

Administration claims paid	$3,500,000

Clients

Administration	322

Staff

Total	15
Claims services	12

Claims services since: 1989.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Lemont, Ill.
Officers: John S. Flynn, president; Thomas A. Flynn, executive vp; Thomas C. Dickman, vp.
Contact: Thomas C. Dickman.

Johns Eastern Co. Inc.

P.O. Box 4175, Sarasota, Fla. 34230; 813-361-3100; fax: 813-361-3107

Revenues

Total	$9,500,000
Claims administration	20%
Claims adjusting	74%
Claims auditing	1%
Other services	5%
Claims revenue	$9,025,000

Claims business by type

Automobile	10%
General liability	15%
Professional liability	5%
Property damage	5%
Workers compensation	65%

Claims business by volume

Administration claims paid	$20,000,000
Auditing projects conducted	2

Clients

Administration	37
Adjusting	26
Auditing	3

Staff

Total	144

Claims services since: 1946.
Service area: District of Columbia, Florida, Maryland, New Jersey, Pennsylvania, Virginia.
Branch offices: Administrative and sales offices in: Baltimore and Greenbelt, Md.; Clearwater, Jacksonville, Miami, Tampa and West Palm Beach, Fla.; Norfolk, Va.; Philadelphia.
Membership: SIIA.
Officers: Donald L. Johns, chairman; K.M. Johns III, president; Allen L. Ladd, executive vp; Philip Shields, Norman A. Sensinger, vps.
Contact: K.M. Johns III.

K

Keenan & Associates Inc.

P.O. Box 14527, Albuquerque, N.M. 87191-4527; 505-293-6600; fax: 505-263-6400

Revenues

Claims administration	25%
Claims adjusting	25%
Other services	50%
Includes: claims administration for insurance companies	

Claims business by type

General liability	10%
Workers compensation	90%

Claims business by volume

Administration claims paid	$15,500,000

Clients

Administration	8
Adjusting	14

Staff

Total	50
Claims services	25

Service area: New Mexico.
Branch offices: Administrative and sales offices in: Farmington, Gallup and Santa Fe, N.M.
Officers: Gary M. Keenan, president; P. Kelly Keenan, Sherri Repichowski, vps; Shirley Ocobock, secretary/treasurer.
Contact: Gary M. Keenan or Shirley Ocobock.

Kemper Risk Management Services

1 Kemper Drive, Long Grove, Ill. 60049-0075; 708-320-2400; fax: 708-320-4330

Revenues

Total	$115,000,000
Claims administration	88.5%
Other services	11.5%
Claims revenue	$101,500,000

Claims business by type

Automobile	9%
General liability	18%
Property damage	4%
Workers compensation	69%

Claims business by volume

Administration claims paid	$239,000,000

Clients

Administration	239

Claims services since: 1968.
Parent: Kemper National Insurance Cos.
Service area: Nationwide.
Branch offices: Administrative offices in: Akron, Ohio; Plantation, Fla.; 72 offices of Kemper National Insurance Cos. nationwide. Sales offices in: Atlanta; Charlotte, N.C.; Chicago; Denver; Edina, Minn.; Garland and Houston, Texas; Jackson, Miss.; Los Angeles and San Francisco, Calif.; Mansfield, Ohio; New York and Syracuse, N.Y.; North Quincy, Mass.; North Haven, Conn.; Orlando, Fla.; Philadelphia; Phoenix; Richmond, Va.; Seattle; St. Louis; Summit, N.J.
Claims subsidiaries: NATLSCO, Kem-
Continued on next page

Group
legal insurance
for employees
and their families.
Call 1 800 426-6319
for more
information.
PRUDENTIAL LEGALCARE
rock solid legal protection

IF YOU ARE LOOKING FOR MORE THAN A BENEFIT ADMINISTRATION SYSTEM THAT PROCESSES CLAIMS...
Get the FACTS.
FACTS offers fully automated, easy-to-use employee benefit administration and risk management software for the administration of medical, dental, vision, drug, disability, COBRA, workers' compensation and flexible benefit claims.
FACTS' integrated technologies offer solutions that will automate your claims paying operation while containing costs and expanding profitability. FACTS' UNIX based systems offer the portability and connectivity you need from a single PC or PC LAN to mini and mainframe systems.
FOR MORE INFO OR A FREE DEMO, CALL NOW!
FACTS
1575 San Ignacio Ave., #406
Coral Gables, FL 33146
(305) - 284-7400
The Full Spectrum Of Automated Benefit Administration Solutions From FACTS.
FACTS is an authorized ADDS/NCR Re-marketer

Continued from previous page
per National Services.
Contact: Larry Toepper, 708-329-3525.

L

Lindsey Morden Claims Management Inc.

P.O. Box 6030, Tyler, Texas 75711; 903-561-6700; fax: 903-561-7013

Revenues	
Total	$110,000,000
Claims administration	80%
Claims adjusting	15%
Claims auditing	5%
Claims business by type	
Automobile	10%
General liability	25%
Professional liability	3%
Property damage	2%
Workers compensation	50%
Other	10%
Includes: environmental liability	
Claims business by volume	
Administration claims paid	$75,000,000
Auditing projects conducted	7
Clients	
Administration	372
Adjusting	17
Auditing	5
Staff	
Total	1,700

Claims services since: 1946.
Parent: Lindsey Morden Claims Services Inc.
Service area: Nationwide, Canada, United Kingdom, Western Europe.
Branch offices: Administrative offices in more than 340 locations in Canada, the United States, United Kingdom and Western Europe. Sales offices in: Atlanta; Boston; Brea, Redwood City and Walnut Creek, Calif.; Charlotte, N.C.; Chicago; Dallas; Lafayette, La.; Louisville, Ky.; Mahwah, N.J.; Nashville, Tenn.; Orlando, Fla.; Philadelphia.
Membership: SIIA.
Officers: Kenneth R. Polley, chairman; Frank Semancik, vice chairman; C.R. Neal, president; Don L. Guin, senior vp; Paul R. Maggi, vp.

M

Peter J. McBreen & Associates Inc.

20 N. Wacker Drive, Chicago, Ill. 60606; 312-332-4307; fax: 312-332-2657

Revenues	
Claims administration	30%
Claims adjusting	20%
Claims auditing	5%
Other services	45%
Includes: safety engineering; recordkeeping; loss fund accounting; claims administration, adjusting and auditing for policyholders	
Claims business by type	
General liability	50%
Inland marine	10%
Property damage	40%
Claims business by volume	
Administration claims paid	$1,000,000
Auditing projects conducted	3
Clients	
Administration	275
Adjusting	15
Staff	
Total	45

Claims services since: 1958.
Service area: Nationwide.
Branch offices: Administrative offices in: Fort Lauderdale, Fla.; Kansas City, Kan.; Los Angeles; Madison, N.J.; New Orleans.
Officers: Peter J. McBreen, president; Geoffrey P. McBreen, executive vp; Brian McBreen, vp; Hugh G. McBreen, secretary; Paul J. McBreen, assistant secretary.
Contact: Paul J. McBreen.

McGee Risk Management Services

P.O. Box 419013, Kansas City, Mo. 64141-6013; 816-842-4800; fax: 816-472-5018

Revenues	
Claims administration	92%
Claims adjusting	4%
Claims auditing	1%
Other services	3%
Claims business by type	
Automobile	5%
General liability	20%
Professional liability	4%
Property damage	1%
Workers compensation	70%
Claims business by volume	
Administration claims paid	$6,500,000
Auditing projects conducted	5
Clients	
Administration	200
Adjusting	1
Auditing	5
Staff	
Total	79
Claims services	20

Claims services since: 1987.
Parent: Thomas McGee & Sons.
Service area: Nationwide.
Officers: Larry Kaminery, Charlie Kaufmann, Gene Klein, Kevin McGreevy, Jerry Reardon, John Wolff, partners.
Contact: Ed Treadwell, manager.

N

National Employee Care Systems Inc.

7791 Capital Blvd., Suite 6, Macedonia, Ohio 44056; 216-468-3663; fax: 216-468-3661

Revenues	
Claims administration	50%
Claims auditing	10%
Other services	40%
Includes: consulting on workers compensation program design and cost containment, claims administration for large retention clients and other than self-insurers	
Claims business by type	
Workers compensation	100%
Claims business by volume	
Administration claims paid	$4,500,000
Auditing projects conducted	6
Clients	
Administration	30
Auditing	5

Claims services since: 1987.
Service area: Nationwide.
Membership: SIIA.
Officers: Kevin J. Hiltbrand, president; Marcus N. May, CFO/vp; Michael J. Saxon, vp-claims.
Contact: Kevin J. Hiltbrand.

National Fleet Service

270 Duffy Ave., Hicksville, N.Y. 11801; 516-938-1010; fax: 516-938-1201

Revenues	
Claims administration	100%
Claims business by type	
Automobile	100%
Claims business by volume	
Administration claims paid	$8,000,000
Clients	
Administration	100

Claims services since: 1983.
Parent: First Priority Group Inc.
Service area: Nationwide.
Officers: Michael Karpoff, president/co-chairman; Barry Seigal, secretary/treasurer/co-chairman.
Contact: Michael Karpoff.

Neuman Claim Administrators Inc.

4250 Ridge Lea Road, P.O. Box 150, Amherst, N.Y. 14226; 716-833-0177; fax: 716-833-0178

Revenues	
Total	$425,000
Claims administration	50%
Other services	50%
Includes: representing insurers and self-insurers in workers comp legal cases in New York's workers comp court	
Claims revenue	$212,500
Claims business by type	
Workers compensation	100%
Claims business by volume	
Administration claims paid	$3,200,000
Auditing projects conducted	2
Clients	
Administration	8
Adjusting	18
Auditing	2
Staff	
Total	9
Claims services	8

Claims services since: 1991.
Service area: New York.
Officers: William E. Neuman, president/treasurer; Leo Blatz, vp/secretary.
Contact: William E. Neuman.

North Bay Associates

P.O. Box 984, Cameron Park, Calif. 95682; 916-677-0875

Revenues	
Claims auditing	90%
Other services	10%
Claims business by type	
Workers compensation	100%
Claims business by volume	
Auditing projects conducted	75
Clients	
Auditing	165
Staff	
Total	4

Claims services since: 1982.
Service area: California.
Contact: John Hennessy, president.

Northern General Services Inc.

38 Mallett Drive, P.O. Box 477, Freeport, Maine 04032; 207-865-0200; fax: 207-865-0212

Revenues	
Total	NA
Claims adjusting	65%
Other services	35%
Includes: loss control, reinsurance brokerage	
Claims revenue	$2,600,000
Claims business by type	
Workers compensation	100%
Clients	
Administration	2
Adjusting	22
Staff	
Total	52
Claims services	28

Claims services since: 1987.
Service area: Maine, Massachusetts.
Branch offices: Administrative offices in Bangor, Maine; Essex, Mass.

Officers: O. William Robertson, president; John M. Plunkett, Alan A. Alexander, executive vps.
Contact: O. William Robertson.

O

Occupational Healthcare Management Services

700 Broadway, Suite 1132, Denver, Colo. 80273; 303-831-3059; fax: 303-831-3069

Revenues	
Claims administration	60%
Other services	40%
Claims business by type	
General liability	5%
Property damage	5%
Workers compensation	90%
Claims business by volume	
Administration claims paid	$68,000,000
Auditing projects conducted	1
Clients	
Administration	231
Auditing	1
Staff	
Total	60
Claims services	55

Claims services since: 1988.
Parent: Rocky Mountain Healthcare Corp.
Service area: Colorado, Minnesota, Nebraska, New Mexico, South Dakota.
Branch offices: Administrative and sales offices in: Albuquerque, N.M.; Las Vegas and Reno, Nev.; Minneapolis.
Officers: Jerry R. Robinson, president/CEO; Terrance J. Sullivan, COO; Randy D. Herndon, vp-marketing; William Crossan, CFO; Catherine AG Sparkman, secretary; Kenneth Harris, treasurer.
Contact: Randy Herndon.

P

PLCM Group Inc.

300 W. Washington, Suite 610, Chicago, Ill. 60606; 312-201-3000; fax: 312-201-3030

Revenues	
Total	$3,600,000
Claims administration	55%
Claims adjusting	32%
Claims auditing	10%
Other services	3%
Claims revenue	$3,490,000
Claims business by type	
Professional liability	90%
Other	10%
Clients	
Administration	20
Adjusting	80
Auditing	45
Staff	
Total	55
Claims services	40

Claims services since: 1989.
Parent: Aon Specialty Group.
Service area: Nationwide.
Branch offices: Administrative and sales offices in: Atlanta; Dallas; Fort Lauderdale and Tampa, Fla.; Houston; Los Angeles; Nashville, Tenn.; Stamford, Conn.
Officers: William P. Vit, president; Anthony R. Zumbano, executive vp; Sylvia Brown, Eileen Barrett, Tanya Lamoreaux, senior vps.
Contact: William P. Vit.

Pennsylvania Insurance Management Co. (PIMCO)

1 PHICO Drive, P.O. Box 2005, Mechanicsburg, Pa. 17055; 800-627-4626 or 717-691-1600; fax: 717-766-2837

Revenues	
Total	$4,900,000
Claims administration	83%
Other services	17%
Includes: nationwide distribution of the Hospital Risk Control Manual, medical case management services, loss control services, agency commissions	
Claims revenue	$4,100,000
Claims business by type	
Automobile	23%
Professional liability	1%
Workers compensation	76%
Claims business by volume	
Administration claims paid	$81,500,000
Auditing projects conducted	1
Clients	
Administration	102
Staff	
Total	114
Claims services	102

Claims services since: 1981.
Parent: PHICO Insurance Co.
Service area: Indiana, Pennsylvania and contiguous states.
Branch offices: Sales offices in Harrisburg, Philadelphia and Pittsburgh, Pa.
Membership: SIIA.
Officers: Richard J. Agostini, president/CEO/director; Robert E. Curry, vp-operations; James L. DeSalle, vp/treasurer; Herbert W. Hoffman, corporate secretary/general counsel; Bruce A. Yerger, assistant treasurer.
Contact: Kendra Shaffer, marketing assistant, ext. 3820.

Pinnacle Risk Management Services

136 E. South Temple, Suite 2300, Salt Lake City, Utah 84111; 801-325-5050; fax: 801-521-5945

Revenues	
Total	$2,800,000
Claims administration	95%
Other services	5%
Includes: loss control	
Claims revenue	$2,700,000
Claims business by type	
Automobile	10%
General liability	30%
Workers compensation	60%
Claims business by volume	
Administration claims paid	$27,000,000
Clients	
Administration	20
Staff	
Total	50
Claims services	48

Claims services since: 1963.
Service area: Nationwide.
Branch offices: Administrative offices in: Albuquerque, N.M.; Boise, Idaho; Irvine, Calif.; Las Vegas; Phoenix; Portland, Ore.
Membership: SIIA.
Officers: Kenneth F. Palmer Jr., president; Hugh Cone, Reed Jenkins, Timothy Foley, senior vps; Shelley Kaas, vp-marketing.
Contact: Kenneth F. Palmer Jr.

Professional Claim Management Group Inc.

709 Stokes Road, Medford, N.J. 08055; 609-953-0442; fax: 609-953-2149

Revenues	
Total	$1,500,000
Claims administration	66%
Other services	34%
Includes: medical management: audits, independent medical examinations, medical and vocational rehabilitation	
Claims revenue	$1,000,000
Claims business by type	
Automobile	100%
Staff	
Total	30

Claims services since: 1990.
Service area: Northeast.
Officers: David J. Troy Jr., president/CEO; Frank Santangelo, vp.
Contact: David J. Troy Jr.

R

F.A. Richard & Associates Inc./Richard & Associates

2360 Fifth Ave., Suite 100, Mandeville, La. 70448; 504-624-8383; fax: 501-624-8489

Revenues	
Total	$13,000,000
Claims administration	75%
Other services	25%
Includes: claims adjusting for insurance companies and managed care organizations	
Claims revenue	$10,000,000
Claims business by type	
Automobile	10%
Bonds	1%
Disability	2%
General liability	15%
Inland marine	5%
Ocean marine	2%
Professional liability	3%
Property damage	2%
Workers compensation	60%

Continued on next page

Schirmer

SCHIRMER ENGINEERING CORPORATION

Full Service Fire Protection/Life Safety Engineering

- Property / Casualty / Boiler & Machinery Underwriting & Loss Control Reports
- Americans with Disabilities Act (ADA) Accessibility Code Consultation
- Building & Fire Code Consultation
- Fire Suppression System Design
- Fire & Security Alarm System Design
- Loss Investigations
- Litigation Support Services

707 LAKE COOK ROAD
DEERFIELD, IL 60015-4997
PHONE 708/272-8340

Dallas, TX - Los Angeles, CA - San Francisco, CA - Washington, DC

Continued from previous page

Claims business by volume

Administration claims paid	$120,000,000

Clients

Administration	201

Staff

Total	260
Claims services	180

Claims services since: 1978.
Service area: Nationwide.
Branch offices: Administrative offices in: Alexandria, Baton Rouge, Houma, Lafayette, Lake Charles, Monroe, New Orleans and Shreveport, La.; Atlanta; Beaumont, Corpus Christi, Dallas, Harlingen and Houston, Texas; Gulfport, Miss.; Huntington Beach, Calif.; West Memphis, Ark. Sales offices in: Atlanta; Dallas; Huntington Beach, Calif.; New Orleans, La.
Membership: SIIA.
Officers: Francis A. Richard, president/CEO; M. Todd Richard, executive vp; Reed A. Bell, senior vp-administration; David Cantrell, senior vp-client services; Dan Clark, senior vp-operations.
Contact: M. Todd Richard.

Risk Management Services Inc.

7919 Folsom Blvd., Suite 240, Sacramento, Calif. 95826; 916-381-5858; fax: 916-381-7475

Revenues

Total	$1,135,000
Claims administration	95%
Claims adjusting	5%
Claims revenue	$1,135,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$9,629,000

Clients

Administration	17

Staff

Total	14
Claims services	14

Claims services since: 1987.
Service area: California.
Officers: J. Daniel Henke, president; Ronald Wood, chairman; Robert Levering, Robert Sanford, vps; Douglas Graham, secretary.
Contact: J. Daniel Henke.

Risk Services of California

10655 Lemon Ave., Suite 3614, Alta Loma, Calif. 91737-6966; 909-980-1874; fax: 909-948-5523

Revenues

Claims adjusting	10%
Claims auditing	55%
Other services	35%
Includes: special projects, training, writing claim procedure manuals, audit carrier claim departments, expert witness evaluation and testimony, design and installation assistance for captive insurance companies	

Claims business by volume

Auditing projects conducted	12

Clients

Adjusting	17
Auditing	13

Staff

Total	2
Claims services	2

Claims services since: 1979.
Service area: Nationwide.
Officers: Terry Coleman, principal; Suzanne Coleman, operations manager/claims analyst.
Contact: Terry Coleman.

S

Sedgwick James Inc. Claims Management Services

230 W. Monroe St., Chicago, Ill. 60606; 312-346-3000; fax: 312-726-4123

Revenues

Claims administration	94%
Other services	6%

Claims business by type

Automobile	2%
General liability	4%
Workers compensation	94%

Claims business by volume

Administration claims paid	$1,322,956,000

Clients

Administration	3,467

Staff

Total	5,000
Claims services	812

Claims services since: 1971.
Parent: Sedgwick Group P.L.C.
Service area: Nationwide.
Branch offices: Administrative offices in 63 locations. Sales offices in 70 locations.
Membership: SIIA.
Officers: Robert L. Young, president; Richard E. Disher, executive vp; M. Susan Steagall, senior vp; Edward J. Callahan, Glenn Fischer, vps.
Contact: Robert L. Young.

Select Insured Risk Services

26600 Telegraph Road, Southfield, Mich. 48034; 313-354-9580; fax: 313-358-3251

Revenues

Total	$3,600,000
Claims administration	66%
Other services	34%
Includes: safety and loss prevention consulting	
Claims revenue	$2,376,000

Claims business by type

Automobile	4%
General liability	39%
Property damage	15%
Workers compensation	24%
Other	18%
Includes: errors and omissions claims, police claims	

Claims business by volume

Administration claims paid	$38,436,129
Auditing projects conducted	2

Clients

Administration	935
Auditing	2

Staff

Total	53
Claims services	53

Claims services since: 1980.
Parent: Meadowbrook Insurance Group.
Service area: Nationwide.
Branch offices: Administrative and sales offices in: Bloomington, Minn.; Grand Rapids, Mich.; Montgomery, Ala.; Overland Park, Kan. Additional sales offices in Cincinnati and Columbus, Ohio.
Officers: James A. Kammerer, president; Robert Engle, vp; Thomas B. Tucker, senior vp-claims; Michael Cascone, vp-loss control.
Contact: Darlene Sleep, ext. 255.

Self Insured Management Services Inc.

P.O. Box 19730-171, Portland, Ore. 97280-0730; 503-245-9756; fax: 503-246-1581

Revenues

Total	$3,400,000
Claims administration	70%
Claims adjusting	10%
Other services	20%
Includes: medical management	
Claims revenue	$2,900,000

Claims business by type

General liability	60%
Professional liability	10%
Property damage	5%
Workers compensation	25%

Claims business by volume

Administration claims paid	$6,500,000

Clients

Administration	14
Adjusting	30

Staff

Total	58
Claims services	48

Claims services since: 1981.
Service area: Alabama, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.
Branch offices: Administrative offices in Everett and Spokane, Wash.
Officers: James W. Broyles, president; W. Steve Griffels, vp-claims; Joseph E. McLaughlin, vp-sales.
Contact: Joseph E. McLaughlin.

Self Insurors Service Bureau Inc.

P.O. Box 12958, Oklahoma City, Okla. 73157; 405-524-7472; fax: 405-524-7444

Revenues

Claims administration	100%

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$24,000,000

Clients

Administration	33
Adjusting	3

Staff

Total	75
Claims services	75

Claims services since: 1987.
Service area: Arkansas, Kansas, Louisiana, Maryland, New Mexico, Oklahoma, Virginia.
Branch offices: Administrative and sales offices in Arkansas, Kansas, Louisiana, Maryland, New Mexico, Virginia.
Officers: Jerry Fiser, CEO; Steve Foster, president; Linda Prill, John Lemons, Martha Opp, vps.
Contact: Jerry Fiser.

ServCo

CNA Plaza, Chicago, Ill. 60685; 312-822-1860; fax: 312-822-7083

Revenues

Total	$45,900,000
Claims administration	10%
Other services	90%

Claims business by type

Automobile	40%
General liability	40%
Workers compensation	20%

Claims services since: 1992.
Parent: CNA Insurance Cos.
Service area: Nationwide.
Branch offices: Administrative offices in: 36 cities in 26 states nationwide; Toronto; Puerto Rico.
Membership: SIIA.
Officers: Peter P. Conway, president; Carolyn L. Murphy, James B. Mullins, Charles H. Dangelo, Donald W. Lowry, senior vps.
Contact: Bruce Todd, director.

Southern California Risk Management Associates Inc.

250 W. First St., Suite 222, Claremont, Calif. 91711; 909-621-1335; fax: 909-624-3746

Revenues

Claims administration	100%

Claims business by type

Workers compensation	100%

Clients

Administration	50

Staff

Total	31
Claims services	31

Claims services since: 1988.
Service area: California.
Officers: Dale H. Jones, president.

Southern Risk Services Inc.

2211 Seventh Ave. S., P.O. Box 2408, Birmingham, Ala. 35201-2408; 205-252-9870; fax: 205-581-9172

Revenues

Total	$6,000,000
Claims administration	93%
Claims auditing	7%
Claims revenue	$6,000,000

Claims business by type

Automobile	3%
General liability	20%
Professional liability	2%
Workers compensation	75%

Claims business by volume

Administration claims paid	$46,123,000
Auditing projects conducted	4

Clients

Administration	74

Claims services since: 1965.
Parent: McGriff, Seibels & Williams Inc.
Service area: Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas.
Branch offices: Administrative offices in: Atlanta; Houston; Jackson, Miss. Sales offices in Atlanta; Houston; New Orleans, La.; Orlando and Pensacola, Fla.
Officers: L.B. Feester, president; Frank Wear, vp-sales; Michael Pritchett, vp-claims; Howard Haskell, vp-loss control.
Contact: Frank Wear.

Standard Financial General Adjustment Inc.

12770 Coit Road, Suite 1215, Dallas, Texas 75251; 214-991-8077; fax: 214-991-8498

Revenues

Total	$465,000
Claims administration	90%
Claims adjusting	5%
Claims auditing	5%
Claims revenue	$418,500

Claims business by type

General liability	25%
Workers compensation	75%

Claims business by volume

Administration claims paid	$1,500,000
Auditing projects conducted	6

Clients

Administration	14
Adjusting	1
Auditing	6

Staff

Total	5
Claims services	3

Claims services since: 1987.
Service area: Texas.
Officers: Keith C. Kakacek, president; Gwen Linebarger, claims supervisor.

T

TencoNet

3401 West End Ave., Suite 460, Nashville, Tenn. 37203; 615-292-0098; fax: 615-297-4891

Revenues

Total	$3,800,000
Claims administration	10%
Claims adjusting	10%
Other services	80%
Claims revenue	$550,000

Claims business by type

General liability	30%
Workers compensation	70%

Claims business by volume

Administration claims paid	$3,000,000

Clients

Administration	4
Adjusting	24

Staff

Total	55
Claims services	8

Claims services since: 1947.
Parent: Tenco Services Inc.
Service area: Southeast, including Georgia, Kentucky and Tennessee.
Branch offices: Administrative offices in: Atlanta; Chattanooga, Knoxville and Memphis, Tenn.; Louisville, Ky. Sales offices in: Clarksville, Cookeville, Jackson and Kingsport, Tenn.; Hazard, Hopkinsville and Pikeville, Ky.
Officers: Tom Moss, president/CEO; Rebe Trickey, vp-operations; Janie Coggins, secretary/treasurer; Creed Hoodenpyle, Ruben Maxwell, vps.
Contact: Tom Moss.

Thomas Howell Group (Americas) Inc.

6 Concourse Parkway, Suite 3100, Atlanta, Ga. 30328-5351; 404-395-1000; fax: 404-390-1076

Revenues

Total	$300,000,000
Claims administration	21%
Claims adjusting	49%
Claims auditing	3%
Other services	27%
Claims revenue	$220,000,000

Claims business by type

Automobile	25%
Bonds	5%
General liability	10%
Ocean marine	5%
Professional liability	10%
Property damage	35%
Workers compensation	10%

Claims business by volume

Auditing projects conducted	20

Clients

Administration	692
Adjusting	962
Auditing	10

Staff

Total	2,600
Claims services	500

Claims services since: 1785.
Service area: Worldwide.
Branch offices: Administrative offices in: Chicago; Dallas; New York; San Diego. Sales offices in: Baltimore; Birmingham, Ala.; Dallas; Greenville, S.C.; Houston; Las Vegas; Los Angeles; Miami; Nashville, Tenn.; New York; Richmond, Va.; San Diego; Washington.
Claims subsidiaries: Gay & Taylor Inc., Atlanta; Ward-THG Inc., San Diego; Thomas Howell Group (USA) Inc., New York; Thomas Howell Group (Latinoamericana), Miami, Fla.; THG-Gay & Taylor, Baltimore; THG/Inflite Aviation Adjustment, Charlotte, N.C.
Membership: SIIA.
Officers: T. Bruce Tilley, president/CEO; G.A.C. (Kees) Bakker, COO; Richard E. Gray, Richard F. Schroder, John V. Kavanagh, Jeffrey S. Ward, Philip M. Box, Glenn T. Dixon, executive vps.
Contact: Richard E. Gray, group marketing.

Toplis & Harding Inc.

222 S. Riverside Plaza, Suite 730; Chicago, Ill. 60606; 312-648-1300; fax: 312-454-1588

Revenues

Total	$26,000,000
Claims administration	12%
Claims adjusting	23%
Claims auditing	4%
Other services	61%
Claims revenue	$10,000,000

Claims business by type

General liability	15%
Inland marine	5%
Ocean marine	35%
Professional liability	10%

Continued on next page



Continued from previous page

Property damage	30%
Workers compensation	5%

Claims business by volume

Administration claims paid	$110,000,000
Auditing projects conducted	50

Clients

Administration	150
Adjusting	350
Auditing	75

Staff

Total	300
Claims services	40

Claims services since: 1918.
Service area: Nationwide.
Branch offices: Administrative offices in: Atlanta; Houston; Los Angeles; New York; San Francisco; Toronto and Edmonton, Canada;. Sales offices in: Atlanta; Los Angeles; New York; San Francisco; Toronto.
Claims subsidiaries: McLarens Toplis Inc., Marine Claims Service.
Officers: James Ebel, president/CEO; Dave Lewis, COO; Craig Bowlus, director-casualty division; Joe Dotoli, director-property division; Bill Stewart, director-marine division.

Tower Associates Ltd.

248 Geiger Road, Suite 105,
Philadelphia, Pa. 19115;
215-676-6922; fax: 215-676-6942

Revenues

Total	$600,000
Claims administration	50%
Claims adjusting	50%
Claims revenue	$600,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$5,000,000

Clients

Administration	10

Staff

Total	10
Claims services	10

Claims services since: 1985.
Service area: Delaware, Maryland, New Jersey, Pennsylvania.
Officers: Terri M. Moffa, CEO; Carole L. Spayd, director-claims management.

U

United Safety & Claims Inc.

P.O. Box 471647, Tulsa, Okla.
74147-1647; 918-664-8816;
fax: 918-665-7310

Revenues

Total	$1,500,000
Claims administration	80%
Other services	20%
Includes: loss control and risk management services	
Claims revenue	$1,200,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$13,670,807

Clients

Administration	23

Staff

Total	24

Claims services since: 1984.
Service area: Arkansas, Oklahoma.
Officers: C.A. Towne, chairman; Brad Smallwood, president; Chali Stevens, secretary/treasurer.

Upstate Claims Service

P.O. Box 13958, Albany, N.Y. 12212;
518-464-4000; fax: 516-464-4004

Revenues

Claims adjusting	50%
Other services	50%

Claims business by type

Automobile	10%
Workers compensation	90%

Staff

Total	7

Claims services since: 1984.
Service area: Upstate New York.
Branch offices: Administrative and sales offices in Syracuse, N.Y.
Officers: Wayne C. Knapp, general manager.

V

Vistar Risk Management Services

1450 American Lane, Schaumburg,
Ill. 60173-4975; 708-605-6000;
fax: 708-605-6767

Revenues

Claims administration	100%

Claims business by type

Automobile	5%
General liability	70%
Workers compensation	25%

Clients

Administration	9

Staff

Total	626
Claims services	30

Claims services since: 1992.
Parent: Zurich Holding Co. of America.
Service area: Nationwide.
Branch offices: Administrative offices in: Atlanta; Braintree, Mass.; Cincinnati; Dallas; Hauppauge and New York, N.Y.; Hunt Valley, Md.; Jackson, Miss.; Marlton and Parsippany, N.J.; Maitland, Fla.; Meriden, Conn.; Metairie, La.; Minneapolis; Overland Park, Kan.; Pittsburgh; Rancho Cordova, San Francisco and Woodland Hills, Calif.; Southfield, Mich.; Wauwatosa, Wis.
Membership: SIIA.
Officers: James Lynam, president; David Rubin, secretary; Loren Alter, treasurer.
Contact: Ray Waters, director-marketing.

W

Carl Warren & Co.

750 The City Drive South, Suite 400,
Orange, Calif. 92668; 714-740-7999;
fax: 714-740-7992

Revenues

Claims administration	70%
Other services	30%
Includes: claims adjusting for insurance companies	

Claims business by type

Automobile	20%
General liability	80%

Clients

Administration	530

Staff

Total	250

Claims services since: 1944.
Service area: Nationwide.
Branch offices: Administrative offices in: Bakersfield, Fresno, Glendale, Long Beach, Sacramento, San Bernardino, San Diego, San Francisco, San Luis Obispo, Santa Barbara and Ventura, Calif.; Honolulu; Reno, Nev.
Officers: Howard Hitchcock, chairman; Roy George, president; Michael Dekema, Larry Hunt, executive vps.
Contact: Michael Dekema, 619-457-3500.

Wear & Wood Inc.

P.O. Box 880287, San Diego, Calif.
92168-0287; 619-238-5888;
fax: 619-238-8555

Revenues

Total	$2,000,000
Claims administration	100%
Claims revenue	$2,000,000

Claims business by type

Workers compensation	100%

Claims business by volume

Administration claims paid	$13,000,000

Staff

Total	35

Claims services since: 1984.
Service area: California.
Officers: Barbara Lee Wear, Lynn Wood.

Scott Wetzel Services Inc.

500 Pacific Ave., Suite 700,
Bremerton, Wash. 98310;
206-479-0200; fax: 206-479-8297

Revenues

Claims administration	65%
Claims adjusting	5%
Claims auditing	2%
Other services	28%

Claims business by type

Automobile	18%
General liability	10%
Professional liability	1%
Property damage	1%
Workers compensation	70%

Claims business by volume

Administration claims paid	$528,400,000

Clients

Administration	452

Staff

Total	330

Claims services since: 1941.
Service area: Nationwide.
Branch offices: Administrative and sales offices in: Albany and New York, N.Y.; Anchorage, Alaska; Atlanta; Charlotte, N.C.; Chicago; Concord, Glendale and Orange, Calif.; Cranford, N.J.; Dallas; Englewood, Colo.; Houston; Jacksonville, Ark.; Knoxville, Tenn.; Manchester, N.H.; Portland, Ore.; Rockville, Md.; Salt Lake City; Tampa, Fla.; Vienna, Va.; Washington.
Membership: SIIA.
Officers: John Harrold, president; Terry Neal, executive vp; Peter Greenland, senior vp-client services/marketing; Ed Kocott, vp-operations; Warren Zimmerman, vp-corporate services.

Y

York Claims Service Inc.

111 John St., New York, N.Y. 10038;
212-732-0505

Revenues

Total	$9,700,000
Claims administration	80%
Other services	20%
Includes: program administration for insurance companies	

Claims business by type

Automobile	20%
General liability	75%
Professional liability	5%

Claims business by volume

Administration claims paid	$125,000,000

Clients

Administration	600
Adjusting	125
Auditing	25

Staff

Total	115
Claims services	75

Claims services since: 1962.
Service area: United States, Canada, Virgin Islands.
Membership: SIIA.
Officers: Stuart A. Myers, president; Fred M. Schiller, executive vp; Eileen Rachelson, secretary/treasurer; Peter Lind, vp; Sari Miller, CFO. BI

Third-party administrators that handle both benefit, property/casualty claims

A

Acordia Benefit Services of Southern California

828 W. Taft Ave., Orange, Calif.
92665-4232; 714-282-4700;
fax: 714-282-4799

Revenues

Total	$3,900,000
Claims administration	15%
Other services	85%
Claims revenue	$820,000

Claims business by type

Health insurance	73%
Employees covered	20,491
Dependents covered	21,134
Workers compensation	27%

Claims business by volume

Administration claims paid	$11,000,000

Clients

Administration	14

Staff

Total	50
Claims services	15

Claims services since: 1991.
Parent: Acordia Inc.
Service area: California.
Branch offices: Sales offices in Encino, Calif.
Membership: SPBA, SIIA.
Officers: P. Michael Cassidy, CEO; Bill MacDougall, vp-sales; Lois Royce, vp-operations; Sheila Wiegel, controller; Lou Marcucci, director-underwriting.
Contact: Lois Royce.

Administrative Claim Service Inc.

P.O. Box 1478, Thomasville,
Ga. 31792; 912-228-7026;
fax: 912-228-7464

Revenues

Total	$750,000
Claims administration	100%
Claims revenue	$750,000

Claims business by type

Flex compensation	2%
General liability	1%
Health insurance	95%
Employees covered	8,000
Dependents covered	15,000
Workers compensation	2%

Claims business by volume

Administration claims paid	$12,000,000

Clients

Administration	52

Staff

Total	12
Claims services	6

Claims services since: 1987.
Service area: Alabama, Florida, Georgia, Ohio.
Membership: SPBA, SIIA, IFEBP.
Officers: Byron Hinson, president; Darlene Taylor, vp.

Allied Administrators

777 Davis St., San Francisco, Calif.
94111; 415-986-6270

Revenues

Claims administration	50%
Claims adjusting	10%
Claims auditing	10%
Other services	30%
Includes: trust accounting, pension administration	

Claims business by type

Disability	5%
Flex compensation	10%
Health insurance	70%
Employees covered	10,000
Dependents covered	20,000
Workers compensation	10%
Other	5%

Clients

Administration	50
Adjusting	25
Auditing	25

Staff

Total	30

Claims services since: 1953.
Service area: Arizona, California, Nevada.
Branch offices: Administrative offices in San Diego.
Membership: SPBA, IFEBP.
Officers: David Walker, president.

Associated Risk Services Corp.

4501 Circle 75 Parkway, Suite B-2190,
Atlanta, Ga. 30339; 404-980-1980;
fax: 404-984-0320

Revenues

Claims administration	80%
Claims auditing	5%
Other services	15%

Claims business by type

Automobile	2%
Disability	1%
Flex compensation	5%
General liability	5%
Health insurance	20%
Pensions	5%
Property damage	2%
Workers compensation	60%

Claims business by volume

Administration claims paid	$68,900,000

Clients

Administration	87

Staff

Total	108

Claims services since: 1984.
Service area: Nationwide.
Branch offices: Administrative offices in Burbank, Calif.; Columbus, Ohio; Dallas; Orlando, Fla.; Richmond, Va.; Winston-Salem, N.C.
Membership: SPBA, SIIA, IFEBP.
Officers: Richard L. Maloney, president/CEO; Kathleen D. Oliver, senior vp; Gloria Aaberg, president-ARS Benefits Inc.; George Thurmond, vp.
Contact: Joe Blizzard.

B

Benefit Options Inc.

121 W. 27th St., Suite 702, New York,
N.Y. 10001; 212-989-0905;
fax: 212-727-2964

Continued on next page



Continued from previous page

Revenues

Total $1,500,000
Claims administration 60%
Claims adjusting 15%
Claims auditing 15%
Other services 10%
Includes: stop-loss insurance, fiduciary liability, fidelity bonds

Claims business by type

Disability 10%
Flex compensation 10%
Health insurance 50%
Employees covered 30,000
Dependents covered 75,000
Workers compensation 30%

Claims business by volume

Administration claims paid $22,000,000

Clients

Administration 20

Staff

Total 25
Claims services 25

Claims services since: 1954.
Service area: Nationwide.
Branch offices: Administrative offices in Jersey City, N.J.; San Francisco. Sales offices in Piedmont, Calif.; Three Rivers, Mich.
Membership: SPBA, IFEBP.
Officers: Robert Gerald, Charles Nechtem, Beverly Pitts.
Contact: Chuck Nechtem.

Berkley Administrators

P.O. Box 59143, Minneapolis, Minn. 55459-0143; 612-544-0311; fax: 612-591-7404

Revenues

Claims administration 50%
Other services 50%
Includes: claims consulting/auditing, TPA for insurance companies, service contractor for state-assigned risk pools

Claims business by type

Automobile 2%
General liability 2%
Property damage 2%
Workers compensation 93%
Other 1%
Includes: workers comp-style plans for sovereign Indian nations

Clients

Administration 1,222

Staff

Total 275
Claims services 58

Claims services since: 1979.
Parent: W.R. Berkley Corp.
Service area: Iowa, Kansas, Minnesota, Oklahoma, Pennsylvania, Texas.
Branch offices: Administrative offices in Des Moines, Iowa; Pittsburgh; Topeka, Kan.
Claims affiliates: Berkley Administrators of Texas, Dallas; Berkley Risk Management, Tulsa, Okla.
Officers: Stephen Letak, president; Elizabeth Holden-Hill, vp/general counsel; Ronald Johnson, vp-sales/marketing; Ronald Holbach, vp.
Contact: Ronald Johnson.

C

Claims Administrative Services Inc.

P.O. Box 8357, Tyler, Texas 75711; 800-765-6767; fax: 903-581-5988

Revenues

Total $4,600,000
Claims administration 97%
Other 3%
Including: claims adjusting for insurance companies
Claims revenue $4,462,000

Claims business by type

Health insurance 17%
Workers compensation 83%

Claims business by volume

Administration claims paid $5,100,000

Clients

Administration 303

Staff

Total 33
Claims services 14

Claims services since: 1990.
Service area: Texas.
Branch offices: Administrative offices in Longview, Texas. Sales offices in Dallas.
Membership: SIIA.
Officers: Billy Hibbs, president; Barry Jones, executive vp; Billy Hibbs Jr., Gary Howell, vps; Mary Smith, secretary/treasurer.
Contact: Barry Jones.

CoreSource Inc.

630 Dundee Road, Suite 340, Northbrook, Ill. 60062; 708-599-8321; fax: 708-559-8353

Revenues

Claims administration 14%
Claims auditing 2%
Other services 84%
Includes: managed care services for health care and workers compensation, consulting, health care and loss prevention

Claims business by type

Automobile 1%
Disability 1%
General liability 2%
Health insurance 74%
Employees covered 1,080,000
Dependents covered 1,510,000
Inland marine 1%
Property damage 1%
Workers compensation 20%

Claims business by volume

Administration claims paid $2,112,000,000
Auditing projects conducted 275

Clients

Administration 2,322
Auditing 275

Staff

Total 1,670

Claims services since: 1968.
Service area: Nationwide.
Branch offices: Sales offices in: Anderson and Indianapolis, Ind.; Atlanta; Baltimore; Charlotte, High Point and Raleigh, N.C.; Cincinnati and Columbus, Ohio; Clearwater, Fla.; Detroit and Grand Rapids, Mich.; Kansas City and St. Louis, Mo.; Lancaster and Philadelphia, Pa.; Las Vegas and Reno, Nev.; Little Rock, Ark.; Manchester, N.H.; Matteson, Northbrook and Peoria, Ill.; Phoenix; Sacramento and San Diego, Calif.; Seattle; Sioux Falls, S.D.
Membership: SPBA, SIIA, NAEBA.
Officers: Bruce L. Miller, chairman/CEO; James W. Duff, COO; Orlo L. Dietrich, executive vp-consulting/developing; James Didion, executive vp.
Contact: Mark W. Schmidt.

Coverage 24 Inc.

P.O. Box 311, Canoga Park, Calif. 91305-311; 800-242-4177; fax: 818-595-0067

Revenues

Claims administration 80%
Claims auditing 20%

Claims business by type

Disability 60%
Health insurance 10%
Workers compensation 30%

Claims business by volume

Auditing projects conducted 4

Clients

Administration 15
Auditing 5

Staff

Total 9
Claims services 9

Claims services since: 1992.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Chicago and San Francisco.
Claims subsidiaries: Hurley & Associates, Geneva, Ill.
Membership: SPBA, SIIA.
Officers: Ralph D. Hurley, president; Jeremiah J. Hurley, vp; Thomas Moorehouse, director; Peter Brandt, manager-operations.
Contact: Ralph D. Hurley.

D

Diversified Group Administrators Inc.

311 S. Central Ave., P.O. Box 330, Canonsburg, Pa. 15317; 412-746-8700; fax: 412-746-8628

Revenues

Total $3,600,000
Claims administration 64%
Other services 36%
Claims revenue $2,100,000

Claims business by type

Disability 5%
Health insurance 90%
Employees covered 27,600
Dependents covered 51,800
Workers compensation 5%

Claims business by volume

Administration claims paid $56,400,000

Clients

Administration 221

Staff

Total 81
Claims services 43

Claims services since: 1982.
Service area: Nationwide.
Branch offices: Administrative offices in Knoxville, Tenn. Sales offices in: Dallas; Knoxville, Tenn.; Meadville and Pittsburgh, Pa.
Membership: SPBA, SIIA.
Officers: David C. Bramer, CEO; Daniel Riston, CFO; Michele Peindl, senior vp; Sharon L. Lavery, Teresa G. Brinkman, vps.
Contact: David C. Bramer.

E

Executive Risk Consultants Inc.

260 Wekiva Springs Road, Longwood, Fla. 32779; 407-788-1717; fax: 407-788-8648

Revenues

Total $21,000,000
Claims administration 80%
Other services 20%

Claims business by type

Automobile 1%
General liability 3%
Health insurance 5%
Property damage 1%
Workers compensation 90%

Claims business by volume

Administration claims paid $300,000,000

Clients

Administration 69

Staff

Total 538

Claims services since: 1985.
Service area: Southeast.
Branch offices: Administrative offices in Atlanta; Baton Rouge, La.; Jackson, Miss.; Montgomery, Ala.; Nashville, Tenn.
Membership: SPBA, SIIA, IFEBP.
Officers: Eugene G. Hill, CEO; David Jasmund, president; Bob R. Smith, assistant secretary; David E. Krauser, vp; Richard V. Lerner, treasurer.
Contact: David Jasmund.

F

FEISCO

2601 Cattlemen Road, Sarasota, Fla. 34232-6249; 813-955-2811; fax: 813-951-3779

Revenues

Total $35,000,000
Claims administration 60%
Claims adjusting 20%
Claims auditing 5%
Other services 15%
Includes: loss control, underwriting, marketing

Claims business by type

General liability 5%
Health insurance 5%
Workers compensation 90%

Claims business by volume

Administration claims paid $151,000,000

Clients

Administration 52

Staff

Total 169

Claims services since: 1959.
Parent: FCCI Investment Group Inc.
Service area: Florida, Georgia, Texas.
Branch offices: Administrative offices in Atlanta; Fort Lauderdale, Orlando and Tallahassee, Fla.
Claims subsidiaries: Claims Management Systems Inc.
Membership: SIIA.
Officers: Ray Neff, president; G.W. Jacobs, executive vp-legal; David Webber, executive vp-accounting; Bob McManus, executive vp-loss control/underwriting; James Bos, senior vp-marketing.
Contact: Basil Morgan, vp.

Financial Insurance Agency

400 E. Diehl Road, Naperville, Ill. 60563-1358; 708-505-8000; fax: 708-505-8000

Revenues

Total $1,000,000
Claims administration 90%
Other services 10%
Includes: flex plan administration, insurance placement
Claims revenue $800,000

Claims business by type

Flex compensation 5%
Health insurance 95%

Claims business by volume

Administration claims paid $20,000,000

Staff

Total 18
Claims services 10

Claims services since: 1991.
Service area: Nationwide.
Branch offices: Sales office in West Frankfort, Ill.
Membership: SPBA, SIIA.
Officers: Michael LeVault, CEO; Robert Peele, chairman; Ron Anfenson, executive vp.
Contact: Michael LeVault.

The Frank Gates Service Co.

5000 Bradenton Ave., Dublin, Ohio 43017; 614-793-8000; fax: 614-793-5400

Revenues

Total $17,000,000
Claims administration, adjusting & auditing 47%
Other services 53%
Includes: unemployment administration, insured claims administration
Claims revenue $8,000,000

Claims business by type

Health insurance 5%
Workers compensation 95%

Claims business by volume

Administration claims paid $150,000,000

Clients

Administration 300

Staff

Total 325
Claims services 125

Claims services since: 1946.
Service area: Nationwide.
Branch offices: Administrative offices in Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo and Youngstown, Ohio; Atlanta; Detroit; Las Vegas; Los Angeles; Louisville, Ky.; Minneapolis; Nashville, Tenn.; New Orleans; Pittsburgh; Seattle. Sales offices in Akron and Columbus, Ohio; Atlanta; Los Angeles; Nashville, Tenn.; Pittsburgh; Seattle.
Membership: SPBA, SIIA.
Officers: Donald J. Overly, chairman; J. Robinson McCormick, president; Niles C. Overly, CEO; Robinson M. Overly, executive vp.
Contact: National marketing department, 614-791-7654.

Richard B. Frank & Associates

P.O. Box 19730-118, Portland, Ore. 97280; 503-246-3547

Revenues

Total $100,000
Claims auditing 50%
Other services 50%
Includes: risk management consulting

Claims business by type

Disability 25%
Workers compensation 75%

Claims business by volume

Auditing projects conducted 10

Clients

Auditing 20

Staff

Total 1

Claims services since: 1984.
Service area: Nationwide.
Officers: Richard B. Frank, management consultant.

G

Gallagher Bassett Services Inc.

The Gallagher Centre, 2 Pierce Place, Itasca, Ill. 60143-3141; 708-773-3800; fax: 708-285-4000

Revenues

Total $104,445,000
Claims administration 89%
Claims auditing 1%
Other services 10%
Includes: risk management consulting services, information management services, property appraisal services
Claims revenue $94,445,000

Claims business by type

Automobile 8%
General liability 15%
Health insurance 27%
Professional liability 1%
Property damage 5%
Workers compensation 44%

Claims business by volume

Administration claims paid $1,270,850,000
Auditing projects conducted 15

Clients

Administration 1,726
Adjusting 5
Auditing 15

Staff

Total 1,270
Claims services 1,270

Claims services since: 1962.
Parent: Arthur J. Gallagher & Co.
Service area: Nationwide.
Branch offices: Administrative offices in 101 locations nationwide and a London office. Sales offices in 64 locations nationwide and three international locations.
Claims subsidiaries: Pacific Atlantic

Continued on next page

CLAIMS
OVERLOAD
SYSTEMS

SETTING THE STANDARDS FOR TEMPORARY CLAIMS PERSONNEL

Providing Experienced General Liability, Auto & Workers Comp. Adjusters, Medical Claim Examiners, Ins. Billers and Collectors, & Data Entry/Clerical Support Personnel That are...

Screened & Tested
■
Professional & Reliable
■
Hireable As Permanent Employees
■
Covered By Fidelity, GL, W/C and E&O Insurance

Immediate Service—30 Offices Nationwide
We Make It Easy!

CALL FOR THE LOCATION NEAREST YOU ■ 800-822-2422

Continued from previous page
Administrators, Gallagher Bassett Benefit Administrators, Gallagher Woodsmall Inc.

Membership: SPBA, SIIA, NAEBA, IFEBP.

Officers: John G. Campbell, chairman; Peter J. Durkalski, president; James W. Durkin Jr., vp-Arthur J. Gallagher & Co./Gallagher Benefit Services; Leonard E. (Scotty) Wood, president/CEO-Gallagher Bassett Benefit Administrators; Frank M. Heffernan, president-Pacific Atlantic Administrators.

Contact: Richard R. Rothman, executive vp.

Group Employee Benefits Administrators Inc.

2646 Highway, Highland, Ind. 46322; 219-972-5177; fax: 219-972-5122

Revenues	
Claims administration	90%
Other services	10%
Includes: PPO, COBRA administration, workers compensation, flex benefits	

Claims business by type	
Flex compensation	1%
Health insurance	95%
Employees covered	5,500
Dependents covered	8,800
Life	1%
Workers compensation	3%

Clients	
Administration	16

Staff	
Total	15
Claims services	8

Claims services since: 1985.
Service area: Nationwide.
Membership: SPBA, SIIA, NAEBA.
Officers: Anthony J. Corso, chairman/CEO; Louis R. Morgan, president.
Contact: Louis R. Morgan.

H

Harrington Services Corp.

1103 Schrock Road, Columbus, Ohio 43229; 614-841-0480; fax: 614-841-0977

Revenues	
Total	$65,000,000
Claims administration	83%
Other services	17%
Includes: unemployment tax consulting and administration services	
Claims revenue	$53,500,000

Claims business by type	
Disability	1%
Flex compensation	1%
Health insurance	85%
Employees covered	635,000
Dependents covered	1,300,000
Pensions	10%
Workers compensation	3%

Claims business by volume	
Administration claims paid	$1,635,000,000

Clients	
Administration	482

Staff	
Total	1,500
Claims services	1,200

Claims services since: 1954.
Service area: Nationwide.
Branch offices: Administrative offices in Albuquerque, N.M.; Chicago; Dallas; Denver; Honolulu; Jacksonville, Fla.; Las Vegas; Los Angeles. Sales offices in Atlanta; Chicago; Dallas; Houston; Las Vegas; Los Angeles and San Diego, Calif.; Minneapolis; Phoenix; Paramus, N.J.
Claims subsidiaries: American Benefit Plan Administrators, El Monte, Calif.; BenePlan Strategies, Dayton, Ohio; Employee Benefit Services, Shreveport, La.; R.E. Harrington Inc., Westerville, Ohio; Pacific Coast Administrators, Orange, Calif.
Membership: SPBA, SIIA, IFEBP.
Officers: Robert Parker, president; Thomas P. McDonough, executive vp; Warren Blue, senior vp/general counsel; Robert Covert, CFO/treasurer.
Contact: Thomas P. McDonough.

Hertz Claim Management Corp.

225 Brae Blvd., Park Ridge, N.J. 07656; 800-426-7389; fax: 201-307-2709

Revenues	
Claims administration	50%
Claims adjusting	5%
Claims auditing	5%
Other services	40%

Claims business by type	
Automobile	30%
General liability	5%
Health insurance	25%
Property damage	10%
Workers compensation	25%
Other	5%

Claims business by volume	
Administration claims paid	$1,000,000,000

Staff	
Total	1,473
Claims services	1,012

Claims services since: 1981.
Parent: The Hertz Corp.
Service area: Nationwide; London; Paris.
Branch offices: Administrative offices in Bingham, Grand Rapids and Saginaw, Mich.; Braintree, Mass.; Chicago; Dallas; Fresno, Glendale, Pasadena, San Francisco, Salinas and San Diego, Calif.; Maple Heights, Ohio; Mount Laurel and Parsippany, N.J.; Pembroke Pines, Fla.; Phoenix; Pittsburgh; Rockville, Md.; France; England; Canada. Sales offices in Bingham Farms and Livonia, Mich.; Braintree, Mass.; Glendale and San Francisco, Calif.; Melbourne, Fla.
Membership: SPBA.
Officers: Thomas J. Santorelli, president; Howard Rezak, executive vp; Richard P. McEvily, vp/secretary; Harry J. Chororos, John Fahey, vps.
Contact: Harry J. Chororos.

Hewitt Coleman & Associates Inc.

P.O. Box 3665, Greenville, S.C. 29608; 803-240-5800; fax: 803-232-8824

Revenues	
Claims administration	65%
Other services	35%
Includes: accounting, data processing, excess placement, loss control, underwriting, implementation of risk retention groups and workers compensation pools	

Claims business by type	
Flex compensation	5%
Health insurance	10%
Workers compensation	80%
Other	5%
Includes: occupational accident	

Claims business by volume	
Administration claims paid	$49,000,000
Auditing projects conducted	2

Clients	
Administration	100

Staff	
Total	87

Claims services since: 1923.
Service area: Nationwide.
Branch offices: Administrative offices in Birmingham, Ala.; Denver; Indianapolis; Jackson, Miss.; Little Rock, Ark.; Norcross, Ga.; Orlando, Fla.; Raleigh, N.C. Sales offices in Baldwin, La.
Membership: SIIA.
Officers: Charles R. Warne, president; J. Jay Franks, senior vp-claims; Ron Graves, senior vp-loss control; Randy Chapman, senior vp-marketing; Garry Coulter, vp-excess/reinsurance.
Contact: Charles Warne.

I

Independent Examiners Interstate

512 Burlington, Suite 205, LaGrange, Ill. 60525; 708-354-3624; fax: 708-354-4102

Revenues	
Claims adjusting	25%
Other services	75%
Includes: physical medicine utilization review, medical bill auditing, independent medical examinations, fraud investigations	

Claims business by type	
Automobile	10%
Health insurance	65%
Workers compensation	25%

Staff	
Total	10

Claims services since: 1986.
Service area: Nationwide.
Officers: Barbara Clark, president; James J. O'Connor, vp.
Contact: James J. O'Connor.

Insurex Benefits Administrators Inc.

2158 Union Ave., Memphis, Tenn. 38104; 901-725-6435; fax: 901-725-6437

Revenues	
Claims administration	100%

Claims business by type	
Health insurance	90%
Employees covered	13,000
Dependents covered	10,500
Workers compensation	10%

Claims business by volume	
Administration claims paid	$23,400,000

Clients	
Administration	38

Staff	
Total	29
Claims services	29

Claims services since: 1989.
Parent: TPI Enterprises.
Service area: Nationwide.
Membership: SPBA.
Officers: Bruce Osborne, president; Sharon Lewis, director; Sherry Luibel, systems coordinator.

J

JRH Risk Services Inc.

3000 Riverchase Galleria, Suite 700, Birmingham, Ala. 35244; 800-277-4457; fax: 205-985-4505

Revenues	
Total	$1,500,000
Claims administration	100%
Claims revenue	$1,500,000

Claims business by type	
Disability	5%
Health insurance	50%
Employees covered	7,000
Dependents covered	10,500
Life	5%
Workers compensation	40%

Claims business by volume	
Administration claims paid	$20,000,000

Clients	
Administration	47

Staff	
Total	24
Claims services	24

Claims services since: 1979.
Service area: Nationwide.
Branch offices: Administrative offices in Atlanta.
Membership: SPBA, SIIA.
Officers: Larry C. Mathis, president; William Cable, vp.
Contact: William Cable.

W.J. Jones Administrative Services Inc.

1983 Marcus Ave., Suite 125, Lake Success, N.Y. 11042; 516-775-5420; fax: 516-775-6601

Revenues	
Total	$6,000,000
Claims administration	65%
Claims adjusting	10%
Other services	25%
Claims revenue	$4,500,000

Claims business by type	
Disability	10%
Flex compensation	15%
Health insurance	65%
Employees covered	90,000
Dependents covered	45,000
Pensions	10%

Claims business by volume	
Administration claims paid	$65,000,000

Clients	
Administration	95

Staff	
Total	80
Claims services	40

Claims services since: 1971.
Service area: Nationwide.
Membership: SIIA.
Officers: John P. Sherlock, president; Robert F. Sherlock, Kevin J. Sherlock, vps.
Contact: Robert F. Sherlock.

K

Keenan & Associates

2355 Crenshaw Blvd., Suite 200, Torrance, Calif. 90501; 310-212-3344; fax: 310-328-6793

Revenues	
Total	$31,100,000
Claims administration	40%
Claims adjusting	5%
Other services	55%
Includes: brokerage, benefit consulting, health care, risk management, financial planning, medical cost containment	

Claims revenue	$13,880,000

Claims business by type	
Automobile	2%
General liability	5%
Property damage	3%
Workers compensation	90%

Claims business by volume	
Administration claims paid	$140,600,000

Clients	
Administration	930
Adjusting	512

Staff	
Total	385
Claims services	182

Claims services since: 1978.
Service area: California.
Branch offices: Administrative and sales offices in Campbell, Chico, Fresno and Riverside, Calif. Additional sales offices in Emeryville, Sacramento, San Diego, Santa Ana and Westlake Village, Calif.
Claims subsidiaries: Regency Claims Service.
Membership: SPBA.
Officers: John R. Keenan, CEO/president; David J. De Wenter, executive vp/chief administrative officer; Harwood J. Bren, executive vp/COO; Murton L. Munson, executive vp.
Contact: David J. De Wenter.

L

LaHood & Associates

6717 Shawnee Mission Parkway P.O. Box 12170, Overland Park, Kan. 66282-2170; 913-362-0040; fax: 913-362-0041

Revenues	
Total	$11,000,000
Claims administration	100%
Claims revenue	$11,000,000

Claims business by type	
Disability	6%
Flex compensation	6%
Health insurance	84%
Employees covered	90,000
Workers compensation	4%

Claims business by volume	
Administration claims paid	$210,000,000

Clients	
Administration	200

Staff	
Total	190

Claims services since: 1974.
Parent: Blue Cross & Blue Shield of Kansas City.
Service area: Nationwide.
Branch offices: Administrative offices in St. Louis. Sales offices in Waterloo, Iowa.
Membership: SPBA, SIIA.
Officers: George E. LaHood, president; Joel Frisch, executive vp; George F. McDonnell, vp-sales/marketing; Joanne Weber, vp-administration; Scott Holland, vp-operations.
Contact: Joanne Weber.

Lawrence Healthcare Administrative Services Inc.

2716 Albany St., Schenectady, N.Y. 12304-1888; 518-370-3828; fax: 518-370-3890

Revenues	
Total	$6,800,000
Claims administration	75%
Claims adjusting	1%
Claims auditing	2%
Other services	22%
Includes: related insurance services	

Claims business by type	
Disability	2%
Flex compensation	3%
Health insurance	65%
Employees covered	40,000
Dependents covered	80,000
Workers compensation	30%

Claims business by volume	
Administration claims paid	$70,000,000

Clients	
Administration	200

Staff	
Total	150
Claims services	120

Claims services since: 1975.
Parent: Lawrence Group Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Atlanta; Fresno, Calif.; Jamestown and Westbury, N.Y.; Waltham, Mass. Sales offices in Clearwater, Fla; Greensboro, N.C.; Harrisburg, Pa.; Mesa and Phoenix, Ariz.; Rochester and Syracuse, N.Y.; San Diego.
Membership: SIIA, NAEBA.
Officers: Albert W. Lawrence, chairman; Gerald A. Pedinotti, president; Gayle Churchill, Michael Greppo, vps; Barbara Dunbar, treasurer.
Contact: Gerald A. Pedinotti, president.

M

Management Services Inc.

2 E. Main St., Danville, Ill. 61832; 217-446-1089; fax: 217-443-0927

Revenues	
Claims administration	100%

Claims business by type	
General liability	5%
Health insurance	13%
Employees covered	13,100
Dependents covered	32,750
Workers compensation	82%

Claims business by volume	
Administration claims paid	$80,884,047

Clients	
Administration	150

Staff	
Total	263
Claims services	89

Claims services since: 1978.
Service area: Illinois, Indiana, Iowa, Kansas, Missouri.
Branch offices: Administrative and sales offices in Des Moines, Iowa; Indianapolis; Kansas City, Kan.; Oak Brook, Ill.; St. Louis.
Membership: SPBA, SIIA, NAEBA.
Officers: Sam Cannon, CEO; Bob Cowgill, president; Jacque Cannon, vp; Gary Schirmer, director.
Contact: Bonnie Gotham, 800-252-5059, ext. 118.

Materiel Resource Associates Inc.

110 Pine Ave., Suite 525, Long Beach, Calif. 90802; 310-437-4331; fax: 310-437-7721

Revenues	
Total	$875,000
Claims adjusting	70%
Other services	30%
Includes: bill review, utilization management	
Claims revenue	$575,000

Claims business by type	
Automobile	5%
General liability	5%
Health insurance	60%
Employees covered	20,300
Dependents covered	45,100
Workers compensation	30%

Clients	
Administration	12
Adjusting	10

Staff	
Total	7

Claims services since: 1989.
Service area: Nationwide.
Membership: SIIA.
Officers: V. Fullerton, president; S. Fullerton, vp; L. Sacks, medical director.
Contact: Stephen B. Fullerton.

McCreary Corp.

700 Central Parkway, Stuart, Fla. 34994-3985; 407-287-7650; fax: 407-287-1387

Revenues	
Total	$3,700,000
Claims administration	90%
Other services	10%
Claims revenue	$3,200,000

Claims business by type	
Automobile	5%
Disability	1%
Flex compensation	1%
General liability	5%
Health insurance	55%
Employees covered	30,000
Dependents covered	35,000
Professional liability	1%
Property damage	1%
Workers compensation	31%

Claims business by volume	
Administration claims paid	$65,000,000

Clients	
Administration	36

Staff	
Total	58
Claims services	40

Claims services since: 1985.
Service area: Florida.
Branch offices: Administrative offices in Fort Myers and Fort Pierce, Fla.

Continued on next page

Continued from previous page

Membership: SPBA, SIIA.
Officers: William T. McCreary, president; Jean Becker, vp-employee benefits; Theodore Trenter, vp-risk management services; Mark Spano, vp-property/casualty; Patrick M. Bowen, vp-finance; James E. Davis, vp-sales/marketing.
Contact: William T. McCreary.

N

NHA Administrators Inc.

770 S. Post Oak Lane, Suite 445, Houston, Texas 77056; 713-439-0123; fax: 713-439-7529

Revenues	
Total	$798,000
Claims administration	63%
Other services	37%
Claims revenue	$501,475
Claims business by type	
Health insurance	95%
Employees covered	5,230
Dependents covered	6,276
Workers compensation	5%
Claims business by volume	
Administration claims paid	$11,506,000
Clients	
Administration	7
Staff	
Total	12

Claims services since: 1989.
Parent: National HealthCare Alliance Inc.
Service area: Nationwide.
Branch offices: Administrative offices in Odessa, Texas.
Officers: Robert Woolfolk, chairman; Melvin Thorne, president; Joan Williams, vp.
Contact: Melvin Thorne.

New Orleans Rosenbush Claims Service Inc.

2215 Pelopidas St., P.O. Box 8320, New Orleans, La. 70182; 504-283-3451; fax: 504-282-2598

Revenues	
Claims administration	70%
Other services	30%
Claims business by type	
Automobile	30%
Health insurance	30%
Workers compensation	40%
Claims business by volume	
Administration claims paid	$6,340,000
Clients	
Administration	4
Staff	
Total	24
Claims services	8

Claims services since: 1941.
Service area: Louisiana.
Officers: Calvin C. Hoppmeyer, Dan W. Bonin, Richard X. Patin.

Northshore International Insurance Services Inc.

76 Lafayette St., Salem, Mass. 01970; 508-745-6655; fax: 508-741-1642

Revenues	
Claims auditing	30%
Other services	70%
Includes: review, audit and consulting to insurers, reinsurers and other risk-bearing entities	
Claims business by type	
Automobile	10%
General liability	20%
Workers compensation	30%
Other	40%
Includes: excess claim administration for specific and aggregate coverage	
Clients	
Administration	18
Auditing	115
Staff	
Total	40

Claims services since: 1988.
Service area: Nationwide.
Branch offices: Administrative offices in Austin, Texas; Brentwood, Tenn.; Chicago.
Claims subsidiaries: International Managed Care Services, International Subrogation Management, International Tertiary Network.
Membership: SIIA.
Officers: David W. Ives, president; Mark E. Scerra, Joseph J. Yablonski, Norman C. Tardif, vps.
Contact: David W. Ives.

P

Payflex Systems USA Inc.

100 Blackstone Centre, Omaha, Neb. 68131; 800-284-4885; fax: 402-345-9884

Revenues	
Total	$2,400,000
Claims administration	100%
Claims revenue	$2,400,000
Claims business by type	
Disability	4%
Flex compensation	6%
Health insurance	87%
Employees covered	38,686
Dependents covered	62,308
Workers compensation	3%
Claims business by volume	
Administration claims paid	$64,120,080
Clients	
Administration	188
Staff	
Total	70

Claims services since: 1987.
Parent: Insurance Consultants Inc.
Service area: Nationwide.
Membership: SPBA, SIIA, IFEBP.
Officers: Russ Hartung, president; Robert Brooks, executive vp/general manager; Dennis Maggart, executive vp-marketing; Terry Haney, CEO.
Contact: Dennis Maggart.

Penn General Service Corp./Hogg Robinson Inc.

20 Custom House St., Seventh Floor, Boston, Mass. 02110; 617-330-5100; fax: 617-330-6940

Revenues	
Total	$17,300,000
Claims administration	87%
Other services	13%
Includes: loss prevention consulting, managed care services	
Claims revenue	$15,100,000
Claims business by type	
Automobile	2%
Flex compensation	3%
General liability	2%
Health insurance	64%
Employees covered	35,000
Dependents covered	53,000
Workers compensation	29%
Claims business by volume	
Administration claims paid	$196,000,000
Clients	
Administration	422
Staff	
Total	234

Claims services since: 1972.
Parent: Hogg Robinson Inc.
Service area: Nationwide.
Branch offices: Administrative and sales offices in: Irving and Lubbock, Texas; Marshfield, Mass.; Southfield, Mich. Additional sales offices in: Albuquerque, N.M.; Atlanta; Bloomington, Minn.; Boca Raton, Fla.; Cadillac and Ishpeming, Mich.; Chicago; Culver City, Calif.
Membership: SPBA, SIIA, IFEBP.
Officers: Richard I. Citron, president/CEO; Tom Wilkins, COO-workers compensation; Gary Fansler, COO-health benefits.
Contact: Thomas D. Ucko, senior vp, 212-682-7500.

Plandata Co. Inc.

P.O. Box 719, 1070 Morris Ave., Union, N.J. 07083; 908-352-3456; fax: 908-354-0664

Revenues	
Total	$2,000,000
Claims administration	80%
Claims adjusting	1%
Claims auditing	4%
Other services	15%
Includes: managed care services	
Claims revenue	$1,800,000
Claims business by type	
Health insurance	99%
Workers compensation	1%
Claims business by volume	
Administration claims paid	$45,000,000
Auditing projects conducted	2
Clients	
Administration	72
Adjusting	4
Auditing	2
Staff	
Total	38

Claims services since: 1979.
Service area: East.
Membership: SPBA, SIIA.
Officers: George P. Mahler, Alan I. Gitlin.
Contact: George P. Mahler.

Preferred Works Inc.

15 River Road, Wilton, Conn. 06897; 203-761-7300 or 800-579-6757; fax: 203-761-7311

Revenues	
Total	$44,800,000
Claims administration	54.1%
Claims adjusting	17.1%
Claims auditing	0.5%
Other services	28.3%
Includes: medical utilization review, workers compensation, vocational and medical rehabilitation, PPOs	
Claims business by type	
Disability	6%
Flex compensation	1%
Health insurance	10%
Employees covered	123,500
Dependents covered	240,000
Professional liability	1%
Property damage	3%
Workers compensation	51%
Other	28%
Claims business by volume	
Administration claims paid	$1,364,924,000
Auditing projects conducted	6
Clients	
Administration	1,427
Staff	
Total	545
Claims services	485

Claims services since: 1973.
Parent: Value Health Inc.
Service area: Nationwide.
Branch offices: Administrative offices in 32 locations nationwide.
Membership: SIIA, IFEBP.
Officers: David Noone, president; Grace Armstrong, senior vp-marketing/sales; Matt Ruvo, CFO.
Contact: Sherrie Dulworth, vp-marketing.

Professional Administrators Inc.

3751 Maguire Blvd., Suite 100, Orlando, Fla. 32803; 407-896-0521; fax: 407-897-6976

Revenues	
Claims administration	100%
Claims business by type	
Flex compensation	5%
Health insurance	50%
Workers compensation	45%
Clients	
Administration	33
Staff	
Total	30
Claims services	30

Claims services since: 1972.
Service area: Nationwide.
Officers: Byron Newbern, president; Paul Tobin, vp; Cecil Anderson, secretary/treasurer.
Contact: Paul Tobin.

R

RMSCO Inc.

731 James St., Syracuse, N.Y. 13203; 315-448-9000; fax: 315-476-8440

Revenues	
Total	$8,228,000
Claims administration	90%
Claims auditing	5%
Other services	5%
Includes: auditing/monitoring insured workers compensation	
Claims revenue	$7,817,000
Claims business by type	
Disability	10%
Flex compensation	5%
Health insurance	45%
Employees covered	78,000
Dependents covered	41,000
Workers compensation	40%
Claims business by volume	
Administration claims paid	$187,000,000
Auditing projects conducted	32
Clients	
Administration	163
Auditing	32
Staff	
Total	155
Claims services	86

Claims services since: 1981.
Service area: Nationwide.
Branch offices: Administrative and sales offices in Albany and Rochester, N.Y.
Membership: SIIA.
Officers: James Heitzhaus, president; Richard H. Sykes, Michael Hotaling, vps.
Contact: Richard H. Sykes.

Rasmussen Administrators

270 Davidson Ave., Somerset, N.J. 08873; 908-302-2400; fax: 908-302-2440

Revenues	
Total	$20,000,000
Claims administration	60%
Claims adjusting	10%
Claims auditing	5%
Other services	25%
Includes: managed care, loss prevention, reinsurance placement	
Claims revenue	$15,000,000
Claims business by type	
Automobile	13%
General liability	20%
Health insurance	20%
Professional liability	2%
Property damage	5%
Workers compensation	40%
Claims business by volume	
Administration claims paid	$260,000,000
Auditing projects conducted	12
Clients	
Administration	247
Adjusting	15
Auditing	11
Staff	
Total	175
Claims services	120

Claims services since: 1970.
Parent: W.R. Berkley Co.
Service area: Connecticut, Delaware, Georgia, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Texas, Virginia.
Branch offices: Administrative offices in: Broomall and Philadelphia, Pa.; El Paso, Texas; Mays Landing, N.J.; Newcastle, Del.; Richmond, Va. Sales offices in Philadelphia.
Membership: SIIA.
Officers: John Rath, president; Robert Hughes, executive vp/treasurer; Dan Robertson, George Putnam, senior vps; Toni Leone, vp.
Contact: Dan M. Robertson.

Russell Insurance Services Consulting Inc.

15 165th Ave. S.E., Bellevue, Wash. 98008-4721; 206-644-1658; fax: 206-644-1658

Revenues	
Total	$125,000
Claims auditing	50%
Other services	50%
Includes: CEO/CFO strategic planning advice on insurance, claims training	
Claims revenue	$62,500
Claims business by type*	
Automobile	10%
General liability	10%
Health insurance	10%
Ocean marine	10%
Workers compensation	60%
Clients*	
Auditing	39
Staff	
Total	2

** Figures include claims administration training for self-insured organizations.*

Claims services since: 1986.
Service area: Nationwide.
Officers: A. Dan Russell, president; Agnes M. Russell, vp.

S

SRT Benefits & Insurance Services Corp.

426 N. 44th St., Suite 220, Phoenix, Ariz. 85008; 602-244-0891; fax: 602-231-8823

Revenues	
Total	$800,000
Claims administration	90%
Other services	10%
Includes: program administration for association and insurance companies	
Claims business by type	
Automobile	4%
Disability	1%
General liability	20%
Health insurance	20%
Workers compensation	55%
Claims business by volume	
Administration claims paid	$6,000,000
Clients	
Administration	7
Staff	
Total	12
Claims services	10

Claims services since: 1971.
Service area: Nationwide.
Membership: SPBA, SIIA.
Officers: Bob G. Redmon, president; Norman A. Taylor, Mike Goldberg, vps; Karmel Varva, secretary.

Self Insured Services Co.

P.O. Box 389, Dubuque, Iowa 52004-0389; 319-583-7344; fax: 319-583-7339

Revenues	
Claims administration	100%
Claims business by type	
Automobile	5%
Disability	1%
Flex compensation	4%
Health insurance	80%
Employees covered	36,500
Dependents covered	90,000
Workers compensation	10%
Claims business by volume	
Administration claims paid	$120,000,000
Clients	
Administration	150
Staff	
Total	62
Claims services	62

Claims services since: 1980.
Service area: Nationwide.
Branch offices: Sales offices in Davenport, Iowa.
Membership: SPBA, SIIA, NAEBA.
Officers: John E. Butler, president; Andrew J. Butler, vp.
Contact: Andrew J. Butler.

U

Underwriters & Administrators Inc.

6345 Flank Drive, Suite 100, Harrisburg, Pa. 17112; 717-652-8040; fax: 717-652-8328

Revenues	
Total	$2,000,000
Claims administration	90%
Other services	10%
Includes: consulting	
Claims business by type	
Disability	5%
Flex compensation	5%
Health insurance	70%
Employees covered	31,000
Dependents covered	59,500
Pensions	15%
Workers compensation	5%
Claims business by volume	
Administration claims paid	$30,000,000
Clients	
Administration	56
Staff	
Total	56
Claims services	12

Claims services since: 1977.
Service area: Nationwide.
Membership: SPBA, SIIA, IFEBP.
Officers: Stanford F. Golin, president; Donald H. Evans, Greg Golin, vps.
Contact: Stanford F. Golin.

Underwriters Safety & Claims Inc.

P.O. Box 23790, 11405 Park Road, Louisville, Ky. 40223; 502-244-1343; fax: 502-244-1411

Revenues	
Total	$4,400,000
Claims administration	100%
Claims revenue	$4,400,000
Claims business by type	
Health insurance	30%
Workers compensation	70%
Claims business by volume	
Administration claims paid	$132,000,000
Clients	
Administration	70
Auditing	2
Staff	
Total	62
Claims services	62

Claims services since: 1941.
Service area: Alabama, Arkansas, Georgia, Illinois, Indiana, Kentucky, Mississippi, Missouri, Pennsylvania, Tennessee, Virginia.
Branch offices: Administrative offices

Continued on next page

Work comp

Continued from page 1
with a high of 122.6% in 1991.

William Hager, president of the National Council on Compensation Insurance, the workers comp insurer statistical and advisory organization, is more reserved. "I think 'spectacular' overstates it." While the improvement in 1993 is "a relevant change and a significant change," the line is still "marginal," he said.

Workers comp results have gone from "atrocious" to "merely bad," said Jay Cohen, an analyst with Salomon Bros. in New York.

However, Best's Mr. Snyder said that an insurer with a combined ratio below 110% is probably making a "decent" return on workers comp overall, after investment income.

Small and medium-sized insurers that belong to the National Assn. of Independent Insurers also are cautious about the market's outlook.

Although there are "encouraging signs" in some states, insurers are not seeing a 10-point improvement in their workers comp combined ratios across all employer categories in all states, said Terry Tyrpin, the NAII's vp and assistant general counsel in Des Plaines, Ill. "With the long history of workers comp being a volatile line, they think the one-year turnaround could be an aberration or a blip," he said.

Many factors have combined to improve workers comp market conditions in many states:

• Legislative reforms have—or are expected to—result in significant savings.

Such changes generally run the gamut from imposing medical fee schedules to tightening compensability rules and reforming hearing processes to reduce litigation. They also include some benefit changes.

In California, for example, a comprehensive package of laws passed last July is designed to cut $1.5 billion—or 13.6%—from an $11 billion system while increasing benefits to injured workers, (*BI,* Dec. 27, 1993; July 26, 1993). The Legislature mandated a 7% cut in workers comp rates for each employer classification, effective last July.

"There is some potential for (future) cost reduction from those changes," though the exact amount will depend on how the reforms are implemented, said William George, executive director of Californians for Workers Compensation Reform.

The savings picture is clearer for employers that are charged the minimum rate for workers comp: Insurance Commissioner John Garamendi ordered an average 12.7% cut in that rate, effective Jan. 1.

Meanwhile, the NCCI estimates that reforms enacted in 1993 will result in overall workers comp system savings of 21% in Connecticut; 17.6% in Florida; 14% in Kansas; 12.7% in Arkansas; 6.9% in Oklahoma; 5.5% in Nebraska; 5.1% in Kentucky; 4.5% in Mississippi; 4.2% in New Hampshire; 2.2% in Montana; and 0.3% in South Dakota.

"There is plenty of evidence that in states where legislatures had the fortitude to take on the special interests, the resulting legislation has slowed down the rate of increase—or in some cases flattened or even decreased—requested rate levels," the NCCI's Mr. Hager said.

For example, average workers comp loss costs fell by 4.3% last year in Oregon, according to the NCCI. Average loss costs have fallen a total of 40% since 1990, when major reforms were enacted.

An insurer uses loss costs as a major component in establishing workers compensation rates, adding its own profit and expense components to it.

Rates are stabilizing in other states, too. States that approved cuts in voluntary market workers comp rates in 1993 or so far in 1994 include Massachusetts, 10.2%; New Mexico, 5.7%; New York, 5.3%; and Colorado, 5%. Rates or loss costs remained flat in several other states, including: Arkansas, Iowa, Mississippi, Oklahoma and South Carolina.

Meanwhile, states where rates or loss costs rose less than 5% include: Alaska, Arizona, Indiana, North Carolina and Wisconsin. Increases of 5% to 10% were implemented in states like Illinois, Louisiana, Maryland, Michigan and Utah.

'Overall, workers comp is a very competitive marketplace,' says Art Christoffersen, manager of the casualty department of broker Johnson & Higgins in New York. 'For the vast majority of employers, it is definitely a buyers' market.'

• Fraud prevention efforts, including catching workers filing bogus claims, as well as employers that misclassify themselves or underreport payroll to falsely reduce their premium.

"I think there has been a dramatic impact on preventing fraud and those that will 'game' the system," said NCCI's Mr. Hager.

For example, the California system is benefiting from the closure of dubious industrial injury clinics and restrictions on ads that encouraged workers to file bogus workers comp claims via attorneys.

In addition, the NCCI's antifraud unit has recovered more than $100 million in additional residual market premiums from employers during the past two years, Mr. Hager said.

• Increased management of workers comp cases by insurers and employers is preventing unnecessary care and encouraging injured workers to return to their jobs as soon as possible.

"Employers are just much more conscious of workers comp than they were before," said Art Christoffersen, manager of the casualty department at broker Johnson & Higgins in New York. "The state of the art has improved quite a bit in the last two years, particularly in the last year."

• More business is written on loss-sensitive contracts, including large-deductible contracts, which limit insurers' underwriting losses.

At least 90% of all employers with more than $1 million in annual workers comp premium participate in such programs, Mr. Christoffersen said.

Such programs make employers more safety conscious and help protect workers comp insurers from unforeseen changes, including deterioration of the state's economic climate, said Best's Mr. Snyder.

Large-deductible programs also are less highly regulated by state officials, giving insurers more freedom to charge what they consider proper rates for these programs.

However, larger insurers primarily are benefiting from these programs; smaller insurers generally have fewer big clients able to afford large deductibles.

• Residual market reforms are paying off as new insurers cautiously return to write voluntary coverage, even in states where residual markets had decayed.

Insurers are again attracted to states like Rhode Island, Maine and Louisiana because new state-approved alternative programs do not require new insurer subsidies pegged to the amount of their voluntary market writings.

"We're seeing Rhode Island's voluntary market, which was essentially closed down, opening up with a few carriers cautiously returning," said Carl Hayes, president of C.I. Hayes Inc., an industrial equipment manufacturer in Cranston, R.I. He also serves on the governor's workers comp advisory council.

"Insurers will be more willing to write in Maine than they were," said Norman Elvin, president of G&E Roofing Co. in Augusta, Maine. Aggressive loss prevention and creative marketing helped him to buy coverage in the voluntary market last year, the first time in G&E's 18-year history.

In Louisiana, "We have insurers competing for workers comp," said agent Richard L. Katten, executive vp of Eagan Insurance Group in Metairie, La. "Just this week an underwriter for a major workers compensation insurer was refusing to take a Florida exposure, but agreed to take it if he could get the Louisiana exposure."

But, the improving outlook for workers comp insurance is not limited to just these states.

"Overall, workers comp is a very competitive marketplace," said J&H's Mr. Christoffersen. "For the vast majority of employers, it is definitely a buyers' market."

At the same time though, workers comp faces new challenges from the Clinton administration's health care reform proposal. That proposal would shift much of the oversight for treatment of work-related injuries to the group health care system from workers comp insurers and self-insured employers.

Although the proposal would try to compensate with mandated case management and cost controls, employers and insurers fear that implementing such a program would generally reduce their ability to manage care and control indemnity costs (*BI,* Oct. 18, 1993).

"We (the NAII) think we would be hurt by insurers losing control of claims," the NAII's Mr. Tyrpin said.

The improvement in workers comp insurer results could "unravel" because employers would be less safety conscious, Best's Mr. Snyder said. BI

TPAs

Continued from previous page
in: Chicago and Marion, Ill.; Jackson, Miss.; Knoxville and Memphis, Tenn.; Norton, Va.; Paintsville, Ky. Sales offices in Nashville, Tenn., and Savannah, Ga.

Membership: SPBA, SIIA.

Officers: Bruce W. Ferguson, president; Scott C. Ferguson, Jack D. Stewart, executive vps; Gary Gilmour, Gary Mongilutz, vps.

Contact: Gary Gilmour.

W

Wausau Insurance Cos.

2000 Westwood Drive, Wausau, Wis. 54401; 715-845-5211; fax: 715-847-8977

Revenues	
Total	NA
Claims administration	80%
Claims adjusting	15%
Claims auditing	5%
Claims revenue	$15,900,000
Claims business by type	
Automobile	2%
General liability	5%
Health insurance	65%
Employees covered	130,000
Dependents covered	325,000
Professional liability	12%
Workers compensation	16%
Claims business by volume	
Administration claims paid	$187,000,000
Auditing projects conducted	5
Clients	
Administration	205
Adjusting	18
Auditing	5
Staff	
Total	6,100
Claims services	160

Claims services since: 1971.
Parent: The Nationwide Group.
Service area: Nationwide.
Branch offices: Administrative offices in 27 cities nationwide. Sales offices in 150 locations nationwide.
Claims subsidiaries: Countrywide Services Corp., St. Louis.
Officers: D. Richard McFerson, CEO; Galen Barnes, president/COO; Scott Isaacson, executive vp-risk management/specialty accounts; Richard Waggoner, executive vp-division operations; Dwight Davis, executive vp-marketing/administrative services.
Contact: Ronald E. Fisher, assistant vp-risk management services, 715-842-6229.

Willis Corroon Administrative Services Corp.

26 Century Blvd., Nashville, Tenn. 37214; 615-872-4000; fax: 615-872-4333

Revenues	
Claims administration	70%
Claims auditing	5%
Other services	25%
Claims business by type	
Automobile	10%
General liability	14%
Health insurance	30%
Property damage	1%
Workers compensation	45%
Claims business by volume	
Administration claims paid	$319,329,461
Clients	
Administration	328
Staff	
Total	484
Claims services	329

Claims services since: 1905.
Parent: Willis Corroon P.L.C.
Service area: Nationwide.
Branch offices: Administrative offices in 35 cities nationwide. Sales offices in: Lexington, Louisville and Owensboro, Ky.; Los Angeles; Philadelphia; Raleigh, N.C.
Membership: SPBA, SIIA.
Officers: Brian D. Johnson, chairman; Louis E. Midden, CEO-P&C division; Richard Q. Ford, CEO-L&H division; Fred Massa, chief administrative officer.
Contact: Louis E. Midden. BI

Louisiana comp market revival

BATON ROUGE—New life in Louisiana's residual market is helping to resuscitate its voluntary market, too.

The main lifesaver is the Louisiana Workers' Compensation Corp., a state-established private mutual insurer that offers both residual and voluntary market coverage to 33,000 policyholders.

Until the LWCC was established in late 1991, workers comp insurers fled the state because of huge assessments from the state's existing residual market.

The state-approved alternative program is backed by the full faith and credit of the state; it does not require that participants' losses be subsidized by insurers or policyholders.

"I wouldn't say the dragon has been slain, but we answered the initial challenge of rescuing the market from extremis," said Stephen W. Cavanaugh, the LWCC's president and chief executive officer.

Now, private insurance companies are slowly beginning to return to the state.

At the end of 1991, there were effectively no insurers in the market. Now, 35 insurers and 11 self-insurers are providing coverage, in addition to the LWCC, he said.

Private insurers wrote about $44 million in premiums last year, leaving the LWCC with $256 million in annualized premium in 1993, he estimated.

Although the state approved a 6.4% increase in the loss costs workers comp insurers use to formulate rates effective March 1, the LWCC will not increase its 1994 rates and has agreed to pay policyholders 3% interest on the amount of their security deposit.

Until the LWCC was established, workers comp insurers fled Louisiana because of huge assessments.

"What's been wrong with our system is not a lack of brilliance but a lack of elbow grease," Mr. Cavanaugh said.

Keys to the LWCC's approach include requiring employers to pay the right premium, aggressive safety audits and establishing partnerships with policyholders to control losses and return employees to work, according to Mr. Cavanaugh.

The LWCC also has adopted frugality as a corporate policy. Its purchase of used office furniture—for $40,000 instead of $250,000 for new furniture—conveys that message to visitors at its Baton Rouge headquarters.

The LWCC did spend $4 million on an information management system that it uses as "a weapon" to reduce claims costs.

The LWCC already has won accolades for that system as well as its policyholder newsletter.

"It is absolutely a model for all insurers to follow," contended Richard L. Katten, executive vp of Eagan Insurance Group in Metairie, La.

"They are doing a very good job for us," said Henry Guidry, risk manager of the Cajun Electric Power Cooperative Inc. in Baton Rouge. "They have given us very good claims service and excellent loss control service," he said after more than a year as a LWCC voluntary market policyholder.

—By Meg Fletcher

INTERNATIONAL

Maxwell deal a backdrop for pension reform

By ADRIAN LADBURY

LONDON—As expected, trustees for Mirror Group pensioners reached a settlement last week to recapture 40 million pounds ($60 million) in cash and assets that British publisher Robert Maxwell stole before his death.

The deal is the latest in a series of settlements, leading trustees and liquidators of the various Maxwell pension plans to believe that most or all of the estimated 450 million of pounds ($675 million) in raided assets will be repaid to pensioners (*BI*, Jan. 31).

The settlement came on the heels of the conclusion of public comment on suggestions for preventing another Maxwell-style scandal.

The suggestions are contained in a report, "Pension Law Reform," that was drafted by the Pensions Law Review Committee headed by Roy Goode, an attorney and law professor at the University of Oxford (*BI*, Dec. 27, 1993; Oct. 11, 1993).

The report suggests greater employee involvement in pension plan management and calls for tough new solvency requirements for pension plans. Key proposals would leave control of pension plans with employers and would not impose any major burdens or additional costs.

The Department of Social Security may have draft legislation for implementing some of the report's recommendations by this fall, and hopes to pass pension reform legislation by the end of 1996.

Meanwhile, under the settlement reached last week, Mirror Group pensioners will receive 32 million pounds' ($48 million) worth of assets from co-defendants in the case: U.K. fund managers Capel-Cure Myers Capital Management and Invesco P.L.C., and investment bank Lehman Bros. International (Europe). The defendants have not admitted liability under the settlement.

Trustees for the Mirror Group pensioners said that, including the 32 million pounds, it has now recovered 57 million pounds ($85.5 million) out of 88 million pounds' ($132 million) worth of assets taken from a portfolio of securities held outside the Common Investment Fund.

The CIF was the central pension fund managed by the Maxwell investment management firm Bishopsgate Investment Management Ltd. Approximately 350 million pounds ($525 million) of the stolen 450 million pounds ($675 million) were taken from the central fund.

Under the latest deal, another 16 million pounds ($24 million) worth of assets will be released from an escrow account held by Bishopsgate within the central fund and divided roughly equally between Mirror Group pensioners and Bishopsgate liquidators Rhobson Rhodes. That should bring the Mirror Group pensioners roughly another 8 million pounds ($12 million). Mirror Group trustees had filed an original claim for 200 million pounds ($300 million), including more than 150 million pounds ($225 million) worth of damages.

But Colin Cornwall, chairman of the trustee group, said that despite the big difference between sums claimed and the sum received, the settlement is a good deal for the Mirror Group pensioners.

The potential cost of the trial, which was predicted to last at least six months, may have persuaded the trustees to waive the damages claim.

"The trustees are delighted that they have been able to settle their claims without a long and costly court battle. When added to the 25 million pounds ($37.5 million) agreed to by Bank of America earlier this month (*BI*, Jan. 10), this means that the trustees have now recovered nearly two-thirds of the assets which the scheme lost," said Mr. Cornwall.

The remainder will be recovered if the trustees are successful in a 40 million pound ($60 million) suit against Swiss bank Credit Suisse scheduled for October. The case involves plan assets given to the Swiss bank as security for a 50 million pound ($75 million) loan.

"With the prospective recoveries from other claims which the trustees are or will be pursuing through the courts, I am confident that we will be able to restore the 88 million

Continued on page 60

GLOBAL BRIEFS

Storm losses mount

—MUNICH, Germany—Insured losses from hurricane-force winds and storm tides that hit Western Europe late last month could exceed 200 million deutsche marks ($115.3 million), according to a Munich Reinsurance Co. executive.

At least eight people were killed in Germany, France and Belgium as winds exceeding 105 mph toppled trees and ripped off roofs. Storm tides along the north German coast flooded harbor facilities.

The water level in Hamburg reached its second-highest mark in a century, exceeding 1967 levels that caused extensive flooding and killed 315 people. Newer safety measures, including flood walls, prevented similar damage last month.

Two nuclear power plants were shut down in Bavaria, and the German railway stopped service on four express routes.

In France, winds cut electricity to 20,000 households and businesses along the west coast.

The windstorm, dubbed "Lore," reached an intensity comparable to a series of windstorms that struck Western Europe in 1990, causing insured losses of $8.8 billion (*BI*, April 30, 1990), according to Gerhard Berz, Munich Re's chief meteorologist and head of the company's Geo Science Research Group. But, because of the short duration of the storm, Mr. Berz said he expects losses to remain far below the 1990 storms.

"Mild winter weather aided the intensity of the storm," he said. "It's a pattern that we fear documents the possibility of global warming and its harmful effects."

In Germany, 70% to 80% of property damage is insured when winds reach 45 mph or more.

—By Don Lewis Kirk

Aviation insurers hit

PARIS—Aviation underwriters are paying out their second-largest hull loss ever after fire gutted a new Air France Airbus jet last month in a hangar at Charles de Gaulle International Airport in Paris.

The loss of the Airbus A-340—one of only 12 that have been delivered to airlines so far—will cost insurers a total of $131.5 million, the largest single hull loss after the $145 million loss of a Taiwanese China Airlines Boeing 747 in Hong Kong Harbor last November (*BI*, Nov. 8, 1993).

The jetliner is covered by Air France's hull insurance, which renewed Dec. 1 led by Assurance France Aviation in France and 50.5% reinsured by coverage placed through London broker Nicholson Leslie Aviation Ltd. The reinsurance in London is led by Lloyd's aviation underwriter Tony Medniuk.

Even before this major loss, aviation underwriters said late last year that rates, which generally have been rising for the past thee years, must rise again in 1994 to cover expected claims and build catastrophe reserves (*BI*, Nov. 29, 1993)

The plane had been undergoing maintenance in an Air France hangar when one of the mechanics smelled smoke under the front wheels. It reportedly took firefighters 30 minutes to control the blaze, but no one was injured. The cause is under investigation, but French authorities have ruled out suspicious causes.

—By Stacy Shapiro

UAP likes U.K.

PARIS—France's largest insurer, Union des Assurances de Paris, plans to invest in the British non-life market this year.

A spokesman for UAP declined to comment on how the investment would be made.

"We are not saying when it will be or what sort of company we will be looking at," the spokesman said.

The British market is the only major insurance market in which UAP has no significant stake. The state-owned insurer has been rumored to be considering a bid for British conglomerate Sun Alliance & London Insurance P.L.C.

UAP acquired a small stake in Sun Alliance last summer through TransAtlantic Insurance Holdings, a London-based investment company that UAP jointly owns with Liberty Life Assn. of Africa Ltd., a South African life insurer.

Other possibilities for UAP include buying the direct-sales operations of Royal Insurance P.L.C. or Royal Bank of Scotland. Royal Insurance declined to comment.

—By Aline Sullivan

Negotiating in Japan

Compromise is slowing pace of product liability bill

TOKYO—The Japanese government is unlikely to pass a product liability law until April 1995, despite a proposal currently being negotiated.

Even with the expected delay, many insurers and some businesses are thinking about the insurance needs that will be generated when a law is implemented.

Japanese Prime Minister Morihiro Hosokawa confirmed his government's support for a product liability law early last month and said a measure might be passed this year. But his attention has been focused on keeping a campaign promise to push through electoral reforms.

After a battle that has called the prime minister's political life into question, he won preliminary approval of those reforms. Formal approval is expected this week, when the new session of the Diet, Japan's parliament, opens. The progress on electoral reform enabled the prime minister's cabinet last week to begin action on a package of economic reforms.

Consumer organizations' pressure for product liability legislation will be the driving force for such a law, said Hideo Takahashi, senior assistant director of Keidanren, Japan's major business association. Even if Mr. Hosokawa's government were replaced, a new government would "not be able to extinguish the fire" for such legislation, Mr. Takahashi said.

Three government ministries put their individual proposals together in December and drafted a "compromise proposal." Mr. Takahashi said he expects the government to release details of that bill "within a few months."

The Ministry of International Trade and Industry, the Agricultural Ministry and the Consumer Ministry still are negotiating over details of the compromise product liability bill, he said.

Tadashi Saito, a Japanese economist currently working with the Japan Economic Institute in Washington, said in a paper published Jan. 21 that he expects the new law to eliminate the requirement that plaintiffs prove a manufacturer intended, or through negligence caused, a defect. However, consumers harmed by a product would still have to prove there was a defect, that it occurred before the product was shipped to distributors and that the defect caused their injury. The new law is expected to include settlement procedures to solve disputes before they reach the courts.

Mr. Saito and other analysts say Japan's legislation is more likely to follow the European Union's product liability model, rather than U.S. laws.

However, Mike E. Ingle, chief executive of Sedgwick Far East Ltd. in Tokyo, said the proposal for a product liability law "goes on the shelf and off the shelf" and that it will be a long time before any law is passed.

In Japan, proposals for new legislation go through a series of public and private committees before a bill is submitted to the parliament. The Social Policy Council, which advises the Diet, in December recommended passage of a product liability law.

Meanwhile, insurers are wondering how a product liability law would affect their business.

Non-life insurers already offer product liability coverage, said Yoshiki Amamoto, manager of the research section of the international department of Japan's Marine & Fire Insurance Assn. But he said the association would "wait and see" what proposals were put forward before revising policies. He said it was too early to comment, because the association does not know what the government will propose.

"Liability limits will need to be reviewed (when legislation is passed)," he said, noting that new insurance products require approval from the Japanese Ministry of Finance.

Although new laws always go into effect April 1, Mr. Amamoto said a product liability law might not be enacted until after 1995.

But some insurers are preparing to capture a share of the market when the new law increases the demand for product liability insurance.

Mr. Takahashi said insurers have investigated U.S. and European laws and insurance products and are conducting seminars to give clients a "better understanding of the potential impact on their businesses."

Mr. Saito said at least half the large companies surveyed by a government advisory group in 1993 already had some insurance for all or part of their product lines. He noted that experts anticipate an increase in companies seeking insurance, and expanded product coverage, after implementation of a product liability law.

Keidanren's Mr. Takahashi said small to medium-sized businesses would be the most affected if premiums rose, because they generally manufacture the type of goods with the potential to cause injuries. He said some businesses with similar products—pharmaceutical manufacturers, for example—could form self-insurance pools to pay claims.

But Mr. Takahashi said the overall impact on employers was not expected to be significant because Japan does not have the "anti-entrepreneurial culture of the United States."

Even so, Keidanren would advise its members to insure against potential lawsuits, he said.

One industry source said the Japanese government is not keen to follow the U.S. model because that would burden Japanese companies with extra costs at a time when they are trying to be competitive in a difficult economic climate. Companies that export already must meet stringent product liability laws in the countries they sell their products, he said.

Another issue is that the Japanese are not litigious by nature, and the laws are not expected to be very tough, he said. Japanese companies already voluntarily recall defective products, he said.

"It's a different culture here, a company apologizes if someone is injured," Sedgwick's Mr. Ingle said.

He said companies operating in foreign markets and overseas companies with plants or bases in Japan are the prime buyers of the current product liability coverage.

"It's freely available and the rates are low," he said.

—By Kate McIlwaine

The Professional Marketplace

RATES AND CLOSING TIME:

Rates: *Display classified is $136.00 per column inch, minimum of one inch. Straight classified is $12.00 per line, minimum of 5 lines. Count 34 characters per line (include each space and punctuation as a character). Additional $18.00 charge for all blind box ads. Only those responses which fit into a business size envelope will be forwarded. Responses are forwarded daily.*

Closing: *Published every Monday. Copy must be in typewritten form by noon Tuesday, 6 days preceding publishing date. No verbal phone copy accepted. Prepayment required for all advertisements. Mail ads to, Lisa Mazzetti, Classified Advertising, 740 N. Rush St. Chicago, IL 60611. For more information call 312-649-5340. FAX 312-649-7799.*

Large Accounts Manager

Prominent Atlanta based agency seeks an experienced, high energy person to establish and manage a National Accounts Dept. A highly motivated, innovative and technically qualified professional with solid and diverse experience in the P&C industry is required to manage risk management services for $500,000 plus premium clients. ARM or CPCU designations desirable. Competitive salary structure and benefit package. We are an equal opportunity employer. Send resume to: Box #2847, Business Insurance, 740 N. Rush St., Chicago, IL 60611-2590.

PROFESSIONAL LIABILITY
Underwriting Executive
Boston Based
Salary Open

Requires very strong analytical skills at the individual account/risk level to handle diverse book of high hazard business.

Send resume to:
Box #2846, Business Insurance,
740 N. Rush St.,
Chicago, IL 60611-2590

Production/Underwriter Main Street Business Metro NYC

Established Highly Rated (A+) Regional P/C Carrier is recruiting seasoned, hands on professional with: producer and reinsurer following, 5+ years co. experience, to create, build and manage a book of Main Street business in several niches with proven, documented track record and profitable bottom line.

Outstanding ground floor career opportunity with excellent compensation and benefits package and future officership potential.

Our employees are aware of this search. Reply in confidence: Box #2838, Business Insurance, 740 N. Rush St., Chicago, IL 60611.

RFP: ASSOCIATION P-C PROGRAM

Fast growing trade association serving the $75 Billion trade show and exhibition industry seeks A+ carrier to administer a group program for members in the US. For RFP contact: **Leslee Combs, IAEM, Fax (317) 871-7270.**

TRUCK AGENTS

We Sell Truckers X-Dates
$100 Per State For
12 Months of X-Dates
800-727-4455
Available in Most States

SERVICES

AVIATION CONSULTING
Problems solved, Questions answered
No problem too big, or question too small. Professional Affordable Consulting Service.
Pete Conrad (206)542-8745

WHERE THERE IS GROWTH... THERE IS OPPORTUNITY

We are **CARONIA CORPORATION** a national corporation. We are expanding operations nationwide and we invite you to come grow with us.

We seek experienced and licensed claims adjusters, claims examiners, litigation supervisors, risk managers E.E.O. Specialists and R.N.'s looking to cure the nursing blues.

In confidence, call **Liz Orphe', Human Resources Manager, at (407)622-0900.**

Group Self-Insurance Workers' Compensation

Is your group or association interested in taking advantage of newly enacted California legislation permitting private sector group self-insurance? If so, we can be of assistance as a TPA or program administrator. During the past 20 years, we have created and managed successful programs for over 1,000 public entities in California. As such, our experience in this area is unequaled.

Call Dave De Wenter,
Exec. VP, **310/212-3344.**

Keenan & Associates

Looking for a candidate to fill the job?

Let Business Insurance work for you!

Advertise in the Professional Marketplace

312-649-5340

WANTED

We Buy
Used Office
Furniture
And Systems
P.S. Business Interiors
1-800-220-1501

HELP WANTED

Great opportunity. Claims Manager for small midwestern Third Party Administrator. Primarily health and dental contracts on fully insured and self-funded basis. Must be organized professional. Compensation is negotiable.
Call Dan at 1-800-574-5573.

To advertise in the INSURANCE SERVICES GUIDE

Contact: Lisa Mazzetti...

740 N. Rush St. Chicago, IL 60611-2590

Phone: 312-649-5340

FAX: 312-649-7799

Producer/ Sales Representative

Third party Claims Administrator and Risk Management Services company is seeking a Producer/Sales Representative to cover the Ohio/Indiana/Kentucky areas marketing self insurance services for workers' compensation. College degree and minimum seven years practical workers' compensation experience necessary, advanced and specialty education an advantage. Based in Cincinnati or in region. The successful applicant will receive a base salary and a commission schedule for new and renewal business. Company auto is supplied. Send resume to Sherry Loftis, PO Box 3665, Greenville, SC 29608.

LOGIC ASSOCIATES, INC.

Risk Management Recruiters

Celebrating Our 16th Year Of National Service To The Risk Management Community

Telephone 212-227-8000 170 Broadway Suite 814
Fax 212-766-0188 New York, New York 10038

"The Original and #1 Choice in Risk Management Recruiting"

Risk Manager

KENETECH, the nation's leading alternative energy company, is seeking an experienced Corporate Risk Manager.

Located in the San Francisco headquarters, duties will include: actively managing our insurance portfolio with insurance values in excess of $450MM; assessing risk; designing and monitoring cost-effective insurance programs; negotiating property/business interruption settlements and casualty related claims; and, managing international exposure for our growing company.

A BS/BA or equivalent is required, along with 7+ years' related experience, CPCU or ARM credentials, and knowledge of premium allocation methodologies. An engineering background would be helpful.

Please send your resume to KENETECH, Human Resources, Job Code: RM, 500 Sansome Street, San Francisco, CA 94111 We are an equal opportunity employer.

Business Insurance Circulation Breakdown

Commercial Consumers

Administrative:
CEO's, Presidents, and Owners, ... 2681
Vice Presidents, General Managers and Other Administrative Personnel 4140
Financial
Chief Financial Officers and Vice Presidents of Finance 2495
Secretaries, Treasurers, controllers and other Financial Personnel, 3702
Risk/Employee Benefits:
Vice Presidents, Directors, Managers, and other realted department personnel of: insurance, risk employee benefits, personnel, compensation, pension, safety, security, industrial relations, human resources and employee/labor relations 15,094
Sub-total 28,112
Associations 385
Government, Unions and Educational Institutions 1,075
Commercial Consumers Sub-total 29,572
Insurance Agents and Brokers 8,714
Insurance Companies 7,981
Accountants, Actuaries, Attorneys & Consultants 3,532
Managers & Health Care Providers 1,936
Others Allied to the Field 1,936
TOTAL 52,816
★ Source Business/Occupational breakdown of qualified circulation, May 31, 1993 Issue, as submitted to BPA for June 1993 BPA Publisher's Statement.

SAFETY DIRECTOR

Expanding S.E. trucking Co. has an outstanding opportunity for a highly motivated, hands-on, professional, 5-10 years experience trucking to direct our loss control program.

Must have an in-depth knowledge of OSHA, EPA, and DOT requirements which relates to the trucking industry, and the experience/motivation/knowledge to direct the company's loss control efforts to new heights while maintaining day-to-day safety operations. A BS/BA in Occupational Safety or equivalent and CSP designation is preferred.

Excellent compensation and benefits program in a desirable family oriented community. Please forward your resume with salary requirements and references to:

Box #2848
Business Insurance, 740 N. Rush St.
Chicago, IL 60611-2590

WILLIS CORROON

Vice President/ Account Executive

A challenging and diverse position available for a talented Vice President / Account Executive offering a proven track record in the sales and service of commercial insurance accounts. A minimum of 10 years directly related experience, including 5+ years with a national broker handling large risks. CPCU designation and/or MBA preferred. This position will report directly to the President/COO. A highly competitive compensation package and associated benefits available to the right candidate.

Our location offers easy access to the metropolitan area while being only a short distance to seacoast, mountains and lakes region attractions.

To apply, send a resume to:
Willis Corroon Corporation of NH
Human Resources Department
PO Box 5003
Rochester, NH 03867
An Equal Opportunity Employer

HEALTH INSURANCE CONSULTANT/ ACCOUNT EXECUTIVE

Our company, one of the most progressive employee benefit consulting firms in the area, has career opportunities for two Health Insurance Consultant/Account Executives. The qualified candidates must possess the following:

1) At least 5 years experience as an Account Rep. to group health plans.
2) Excellent communication skills
3) Familiarity with current health legislative issues.
4) An in depth understanding of how employee benefit plans operate, administratively and financially.

We area a regional firm located in Syracuse, N.Y. and are looking for an inside technical person and an outside account executive.

The people we are looking for must have specialized in working with large firms. Preferably, the people will have been with the same organization for 3-5 years and find themselves looking for new challenges and opportunities.

Reply to:
PDG
Attn: Personnel Dept.
P.O. Box 722
DeWitt, NY 13214

SEEKING MEDICAL STOP LOSS PROGRAM ADMINISTRATORS.

Managing general underwriter with "A" Rated (A.M. Best) carrier seeking TPA's, brokers and insurance consultants to act as program administrators to market medical Specific and Aggregate stop loss in specified states.

Terms and compensation negotiable.

Please send biography specifying experience, years in business, number of employees, services provided and region of operation to:

Box #2840, Business Insurance, 740 N. Rush St.,
Chicago, IL 60611-2590.

Insurance Services Guide

InPhoto Surveillance



Experts in long range video surveillance. Agents stationed within a 3 hour drive of 80% of the U.S. population.

Toll Free 800-822-8220 FAX 800-752-0720

The Mark of Excellence

Utilization Review Software licensing and support

Hines and Associates, Inc.

(708) 741-1291
(800) 735-1200

For a free demonstration or information call Sandy

ACTUARIAL CONSULTING

- Rates
- Reserves
- Cost Allocation Plans
- Self-Insurers
- Pools
- Insurers

ENVIRONMENTAL RISK CONSULTING

TILLER CONSULTING GROUP, INC.
99 Trent Drive St. Louis, MO 63124 (314) 567-7480

Reduce Medical Claims!
Wholesale Priced Health Screenings
• Cholesterol • Glucose • Lipid Profiles

Serving Self-funded Employers TPAs & Insurance Companies
call for price list
800-643-5000

WAGNER & ASSOCIATES

Health Care Consulting & Temporary Staffing Services

- Medical and Rehabilitation Case Management
- Utilization Management
- Quality Assurance/CQI
- Risk Management
- CPT, ICD-9, DRG, HCPCS, RBRVS Editing
- Medical Bill Review/Auditing

Call (818)972-1756 for more info.

Control Staffing Costs

In Medical/Dental Claims Processing

CSRG CLAIM SERVICES RESOURCE GROUP

Use CSRG's *FLEXIBLE STAFFING* to:

- Reduce staffing costs immediately
- Increase claim production instantly
- Reduce overhead permanently

Proven Results in Over 1,300 Companies Nationwide.

800-288-3920

SBPA SYSTEMS

BENEFIT ADMINISTRATION SYSTEMS FOR TODAY AND BEYOND.

1-800-444-1189

INSURANCE / FINANCIAL COMMUNICATIONS

Advertising • PR • Marketing
Seminars • Sales Promotion
Newsletters • Speech Writing

RLDA Communications
212-349-2828

AssuranceWARE

Common Sense Software for the Insurance Industry

- **Workers' Compensation**
  - Policy Adminstration
  - Rating
  - Claims Adminstration
  - Premium Billing/Accounting
- **Workers' Compensation Managed Care**
  - PPO Management
  - Billing & Administration
  - Utilization Review
  - Pre-Certification Management
- **State Medical Fee Schedule**
- **Reasonable & Customary Bill Processing**
- **Rehabilitation Case Management**

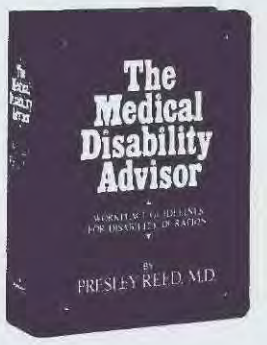
IBM Business Partner — Industry Application Specialist

Call today for more information and for a **FREE** demonstration diskette.

PROGRESSIVE**DATA**SOLUTIONS, INC.
1320 N. SEMORAN BLVD., SUITE 205 ■ ORLANDO, FL 32807 ■ **407-382-5920**

EXPANDED SECOND EDITION Now Available

THE PROVEN STANDARD FOR DISABILITY DURATION



REFERENCE TEXT

SOFTWARE

DATA LICENSE

- 900 diagnoses and procedures
- Disability duration tables
- Easy-to-read format
- Workers' comp injuries added
- Related CPT codes
- Alphabetical & ICD-9-CM code indexes + glossary
- Anatomy section with medical illustrations

An invaluable tool for any professional whose position requires familiarity with the injuries and illnesses of working people.

ACOEM

RECOMMENDED BY AMERICAN COLLEGE OF OCCUPATIONAL AND ENVIRONMENTAL MEDICINE

Call
Reed Publications, Ltd.
1-800-347-7443

Environmental Claim Litigation Management

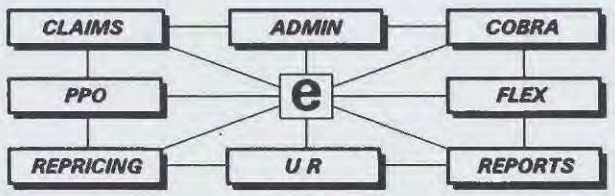
The Travelers

We offer a number of valuable services for self-insured companies.

- Case analysis and evaluation
- Selection and retention of trial counsel
- Selection of expert witnesses
- Settlement negotiations
- Subrogation, claim audit and engineering services

For more information call:
Bill Tribou, Special Liability Group
(203) 277-3270

The Total Managed Care Solution for
HEALTHCARE CLAIMS MANAGEMENT



- CPT/ICD-9 CLAIMS EDITS
- ELECTRONIC CLAIM SUBMISSION
- AUTOMATED DATA CONVERSION
- "24 HOUR" INTEGRATION
- ELECTRONIC DATA IMAGING
- MANAGED CARE INTERFACE

...12 YEARS & OVER 70 INSTALLATIONS NATIONWIDE
...FOR TPAs, INSURANCE COs & SELF INSUREDS
...WIDE RANGE OF OPERATING SYSTEMS

ELDORADO COMPUTING INC.
2880 E. Northern Ave · Suite 4 · Phoenix, AZ 85028 · 602-493-0288

WLT Software of Florida, Inc.

Insurance Software Specialists

- Sophisticated Software
- Quality Service
- Affordable Pricing

- HEALTH CLAIMS ADMINISTRATION AND BILLING
- WORKERS' COMPENSATION CLAIMS ADMINSTRATION
- CLAIMS EDITING SYSTEM AND BILL REVIEW SERVICES
- FLEXIBLE BENEFITS SOFTWARE, COMMUNICATIONS AND CONSULTING

STAND ALONE AND NETWORK BASED PC SYSTEMS
Call today for more information or a free demonstration - 813/442-9296
831 NORTH HERCULES AVENUE • CLEARWATER, FLORIDA 34625
... THE INDUSTRY'S ONLY TRUE 24 HOUR SOLUTION SOURCE.

THE BEST SHOT AT COST-CONTAINMENT

Medata hits the mark with effective, affordable cost-containment software programs. These programs provide:

- All workers' compensation fee schedules on disk
- A national reasonable and customary database
- Average wholesale prices on drugs and supplies with suitability of drug for a specific diagnosis
- Utilization review for length of treatment, number of visits and appropriateness of procedure for the corresponding diagnosis

medata®

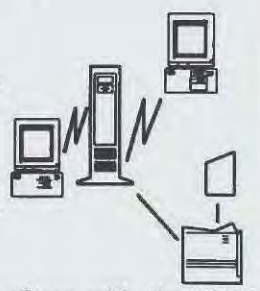
Call for a free demonstration diskette.

TARGETED COST-CONTAINMENT SOLUTIONS
(800) 935-9995

Insurance Software Packages

A PMSI® Company

- ✓ *Micro & LAN Based Claims Systems since 1985*
  - Workers Comp W/ Fee Schedule & PPO
  - Employee Benefits
  - Auto, GL, Property
- ✓ Fee Schedule and PPO repricing System
- ✓ First Notice of Injury Service & Software
- ✓ Over 300 Systems Country Wide
- ✓ Powerful,Complete systems, Easy to use
- ✓ Mini & Mainframe Integration
- ✓ Certified IBM, Novell, Microsoft



ISP systems can provide information interfaces with the PMSI family of services and other 3rd party systems and services. For the best in claims and cost containment software, Call ISP.

Call us for more info at 800-237-8133

P/C panel

Continued from page 2

ufacturers and noted that NAM currently opposes any federal role in workers comp. Even though the current system is "jeopardized" by escalating costs, it nevertheless serves the majority of claimants well, he said.

Under the administration's proposal, employers would lose even limited control over injured employees' choice of care provider, said Mr. Steggert. Employers would also lose their ability to use case management techniques when dealing with costly workers comp claims, he said.

Gary Claxton, one of the administration's health care advisers, told the panel earlier that the question of who gets to choose the initial health care provider in workers comp cases is generally an even split. About half the states currently grant that right to employers, the other half to injured workers, he said.

The administration's plan would send an injured worker to the workers comp division of the health plan he or she had chosen for other health care, in effect removing the need for either the employer or the worker to choose a provider, said Mr. Claxton.

Rep. Cliff Stearns, R-Fla., asked Ms. Ballen if she thought merging the two systems would increase the costs of workers comp coverage.

In his opening statement, Rep. Stearns—the subcommittee's ranking Republican—expressed concern over the wisdom of merging the two systems and said he feared a merger would lead to unsafe workplaces.

Ms. Ballen replied that costs would "definitely" go up. She said the reduction of safety incentives would lead to higher costs. She also said that if the Clinton plan didn't encourage injured workers to return to work when they were able, the wage-loss component of workers comp would also rise significantly, adding to employer costs.

"We think the most effective safety incentives" involve a company's finances, Ms. Ballen told the panel when she was asked about the impact of experience rating on workplace safety.

The panel also heard testimony about the impact of including the medical component of auto insurance within health care reform.

The medical component of auto insurance should not be merged into the new health care system, Thomas Taylor told the subcommittee on behalf of the Alliance of American Insurers.

If insurers lost their ability to intervene early to manage auto medical claims because of health care reform, they'd face a danger of underreserving, said Mr. Taylor, executive vp of Providence, R.I.-based Amica Mutual Insurance Co.

Underreserving could, in turn, impair the solvency of some auto insurers, he said. BI

Dallas

Continued from page 2

coverage from outside insurers for special events. The city chooses a broker each year to place that coverage.

"Rather than us shop the market, we have a professional shop the market," Mr. Breedlove explained.

The market for special event coverage like the Cowboys' victory parade isn't very large, he said.

"Entertainment insurance is not one of the specialty items that a lot of carriers would write because it's kind of a one-time, short-term coverage," Mr. Breedlove said. "If you get in there one time and nothing happens, you're fine, but if you have a lot of problems it can be a major capital outlay."

The violence at last year's victory parade resulted in about $60,000 in claims, prompting Dallas officials to reduce the risk associated with this year's celebration by planning extensively.

A special committee looking to reduce the chances of violence at this year's parade developed a plan that includes pressing 1,300 police and security officers into service, compared with the 300 to 350 officers on hand for last year's celebration.

The plan also calls for transporting players, coaches and dignitaries over the parade route on flatbed trucks rather than in open convertible cars.

In addition, the city will replace the wooden police barricades placed along last year's parade route with heavy-duty metal barricades.

"We've done extensive planning getting ready for this," Mr. Breedlove said.

"We assumed the Cowboys would do well and that they'd win the Super Bowl, and now the planning we've done is justified," he said. BI

Royal Group names Mendelsohn CEO

Comings & Goings: Industry

Robert V. Mendelsohn has been named chief executive officer of Charlotte, N.C.-based Royal Group Inc., and its subsidiaries, including Royal Insurance Co. Mr. Mendelsohn, formerly president and chief operating officer of W.R. Berkley Corp., succeeds William E. Buckley, who retired.

In other insurer changes:

Robert P. Crawford named executive vp of Chubb Corp. in Warren, N.J.

James G. Bastian named president of North Sea Insurance Co. in Valley Stream, N.Y.

Brian J. Finneran named president and chief operating officer of JMC Group Inc. and James Mitchell & Co., a wholly owned subsidiary, in San Diego, Calif. Mr. Finneran succeeds **Phillip Sloane**, who resigned.

William H. Sharkey Jr. has joined CNA Insurance Cos. in Chicago as senior vp and chief marketing officer.

Robert L. Fahlman named senior vp-commercial business for TakeCare Health Plan, a managed care provider in Concord, Calif.

Daniel W. Arnold joined USLIFE Credit Life Insurance Co., a wholly owned subsidiary of USLIFE Corp., as senior vp-operations in Schaumburg, Ill.

Edward L. Morgan Jr. named senior vp at ITT/Hartford Insurance Group in Hartford, Conn.

Andrew Maneval named executive vp at ITT New England Management Co., a Boston subsidiary of ITT/Hartford Insurance Group.

William E. Hitselberger named vp and internal auditor for Continental Insurance Corp. in New York.

Theodore J. O'Dell named senior vp and controller of Mutual of America Life Insurance Co. in New York.

Anwer J. Sunderji named president and chief operating officer of British-American Insurance Co. and British-American Holdings Ltd. in Nassau, Bahamas. Mr. Sunderji succeeds **Dawood A. Rawat**, who remains chairman of the company.

Michael A. Johnson named national coordinator of minority programs for Amwest Surety Insurance Co. in Woodland Hills, Calif.

Richard M. Barrow named senior vp and treasurer of Public Service Mutual Insurance Co. and its subsidiary, Paramount Insurance Co., in New York.

Donald L. Swanson named senior vp-retirement plan division for The NWNL Cos. in Minneapolis.

Robert P. Rank joined Selective Insurance Group Inc. in Branchville, N.J., as senior vp and chief investment officer.

Reinsurance

F. Paul D'Amore has been named senior vp and chief administrative officer at Kemper Reinsurance Co., a unit of the Kemper National Insurance Cos. in Long Grove, Ill.

Several other new appointments recently announced at Kemper Re are: **Melvin S. Silver** named senior vp and actuary; **William E. Flaherty** named a director, senior vp and chief financial officer; **William S. Papastefan** named treasurer; and **Ronald E. Christofano** and **Randy J. Roth** named vps.

Bryan S. Reid III, named senior vp-treaty operations and claims at The Cologne Re of America in Stamford, Conn.

Timothy L. Keevers joined Reinsurance Management Services in Wayne, N.J., as a vp. Previously, Mr. Keevers was vp of CIGNA's Association Strategic Business Unit.

Kim C. Potts named vp-sales at Reinsurance Group of America, a St. Louis subsidiary of General American Life Insurance Co.

Robert F. Scott Jr. joined Willis Faber North America Inc., the reinsurance brokerage arm of the Willis Corroon Group, as vp-actuary. Previously, Mr. Scott was manager and consulting actuary for treaty and property facultative reinsurance for General Re.

Demarest S. Newman joined U.S. RE Corp., a New York-based reinsurance brokerage and consulting firm, as senior vp.

Agents/brokers

Peter McKenzie named senior vp at Adams & Porter in Houston.

Edward B. Galtney named vp at Houston-based Technical Risks Inc. specializing in heavy industrial accounts.

Clinton E. Johnson named executive vp at The Herbert H. Landy Insurance Agency Inc. in Needham, Mass. Also at the agency, **Betsy A. Magnuson** named vp-underwriting.

John S. Mahoney joined McWalter Insurance Agency Inc. as vp and bond manager in Acton, Mass.

Patricia A. Cody named senior vp at Kalvin-Miller International Inc. in New York.

J. Jay Corbett named senior vp-workers compensation services at Alburger Basso deGrosz Insurance Services Inc. in Belmont, Calif.

Other suppliers

Dr. Bruce Campbell appointed chief medical officer for Middletown, Conn.-based Aetna Health Plans.

Thomas P. Dawidowicz and **Ann D. Gineo** joined The Segal Co.'s Hartford, Conn., office as actuaries. Both previously worked for Aetna Life & Casualty Co.

E. Randall Clouser named executive vp-sales and marketing for Continental Risk Management Services in New York, a unit of Continental Corp. BI

INTERNATIONAL

Maxwell

Continued from page 57

pounds in full," said Mr. Cornwall.

While the need for tighter policing of private pension plans is well-illustrated by the Maxwell debacle, the road to reform may not be a smooth one for the British government.

Many believe that the Goode report did not go far enough and that its recommendations would leave too much power in the hands of employers that could be tempted to engage in the same type of fraud perpetrated by Mr. Maxwell.

"The Pension Law Review Committee could have taken two routes ensuring that pension schemes were secure: they could have sought to secure a pensions promise (in which pensioners are guaranteed certain benefits), or they could have sought to make schemes secure by changing the balance of ownership and control. As it is, the (Goode) report fails to do either," said the Trades Union Council, the U.K. federation of trade unions.

That response to the report's suggestions was typical of those from employee groups.

The need to revise the proposals was cited even by groups that wholeheartedly support the Goode report's proposal to leave pension clout with employers.

The Confederation of British Industry, the U.K.'s biggest employer group, is anxious to persuade the DSS to change some of the Goode proposals when it draws up its draft legislation.

"The CBI backed action by the government on pensions law reform on the basis of the Goode Report but expressed reservations about proposals which would restrict choice, add to costs, and could undermine the spread of occupational provision," the employer group said.

The National Assn. of Pension Fund Managers, an association of pension fund managers, trustees, professional advisers and others who have almost 250 billion pounds ($375 million) of funds under management, fears that excessive regulation, especially tough new solvency rules, could force some companies into bankruptcy.

"Minimum solvency requirements would increase security, but must be set at a level which would protect scheme members without putting too heavy a burden on employers. The result would be counterproductive for pension provision and the economy as a whole, if the requirements were too onerous," the fund managers said.

"Employers with schemes meeting less than 90% of the minimum solvency requirement should not be required to make immediate cash injections (as suggested in the Goode report). Such cash injections could bankrupt employers unnecessarily and damage the interests of the very employees they are meant to protect. The proposed (new) regulator should have discretionary powers to make case-by case arrangements for schemes to rebuild their asset base," according to the NAPF. BI

"Be sure that you return it."

If you're racing through this issue of *Business Insurance* because you "borrowed" it from a colleague, you should have your own subscription. Then you'll be first on the list. You can take as much time as you like with all of *Business Insurance's* exclusive worldwide news of loss prevention, risk financing and benefit management every week.

To subscribe, use the card in this issue or Call 1 (800) 678-9595 Toll-Free.

Ask about our special 20%-off group subscription rate for five or more subscriptions. A great way to save money. And avoid pass-along problems.

Subscription Rates in U.S. Dollars for 1 year, 52 Issues.

	Surface Mail	By Air
USA	$80	$175
Canada	$126*	$198*
All other countries by expedited air.		$200

*Price includes Canadian GST.

Business Insurance.
Subscription Dept.
965 E. Jefferson
Detroit, MI 48207

Disasters

Continued from page 1

Ward Financial Group in Cincinnati.

"A lot of companies went into 1994 optimistically. They had the catastrophes behind them, the economy was picking up and prices were up a tad, then boom. It's a real momentum killer," he said.

The bad news will likely be dragged out over several quarters as damage estimates grow, given the difficulty in precisely estimating the cost of catastrophes, he said.

The combined earthquake and freeze losses also may help push up primary insurance prices, according to Sean Mooney, senior vp and economist at the Insurance Information Institute in New York.

"It will put pressure on primary markets, and poor financial results could mean less competition and higher increases than people were expecting," Mr. Mooney said, adding that higher prices are most likely for personal lines policyholders.

Although commercial lines insurers will likely be squeezed by catastrophe losses, it will not be enough to force marketwide price increases, said Vanessa Wilson, equity analyst at CS First Boston Corp.

"They are paying more for catastrophe reinsurance and retentions are higher, so they will get hit harder by the catastrophes. But the losses are not of a magnitude to take equity down enough to raise prices," she said.

And losses from the earthquake and the freeze are unlikely to trouble reinsurers because significantly higher retentions for catastrophe reinsurance risks were imposed on primary insurers at Jan. 1 renewals, observed Edward B. Jobe, chairman and CEO of American Re-Insurance Co. in Princeton, N.J.

If the current loss estimates do not increase, the catastrophes will have little effect on reinsurers, concurred James N. Stanard, chairman, president and CEO of Renaissance Reinsurance Ltd. in Bermuda. "It has been a meaningful loss, but it is not the Big One," he said.

Although no large insurers will be impaired by the catastrophes, as many as 10 to 15 small insurers in California could be severely exposed to earthquake losses, said Alan Levin, senior vp at Standard & Poor's Corp. in New York.

It is not clear yet how many companies have exposures concentrated in the San Fernando Valley area, where the quake damage was most severe, he added.

If earthquake loss estimates of $3 billion are accurate, some small insurers will likely have problems paying claims, Mr. Levin said.

"At $1 billion, we thought that there was a low probability of any insurer getting in trouble; at $2 billion there was maybe more of a possibility; but at $3 billion, it's now something to be concerned about," said Mr. Levin, referring to the growing loss estimates.

An informal survey of insurers by a brokerage executive resulted in a significantly higher industry loss estimate from the quake.

Charles Ruoff, senior vp at Sedgwick James Inc. in New York, contacted seven major insurers. "All of the underwriters I contacted estimated the loss would be between $5 billion and $6 billion based on their estimates for their own losses."

The insurers contacted predicted that loss estimates provided by industry organizations will rise as information on repair costs and business interruption losses becomes clearer over the next few months, Mr. Ruoff said.

A loss in the $5 billion range may not be enough to increase primary property insurance premiums this year, but it should ensure that prices will not fall, he said.

A loss of that magnitude also should discourage catastrophe reinsurance underwriters from diversifying into other lines, Mr. Ruoff added. "There has been some talk about how if catastrophe prices soften, the new facilities in Bermuda would start writing other lines. But now, it doesn't appear that they will need to write other lines."

'All of the underwriters I contacted estimated the loss would be between $5 billion and $6 billion based on their estimates for their own losses,' says Charles Ruoff, senior vp of Sedgwick James Inc.

The Property Claims Services Division of the American Insurance Services Group Inc. has designated the earthquake Catastrophe No. 78. However, PCS does not expect to issue a quake damage estimate until later this week.

By contrast, the Arctic freeze is being treated as four separate catastrophes by PCS. Severe cold, freezing rain and ice in the Northeast Jan. 6-9 caused an estimated $100 million in insured damage. An estimated $175 million in insured damage resulted from subzero temperatures over a wide area Jan. 14-16. The heaviest damage so far, though, occurred Jan. 17-20, when brutal cold, snow and ice caused $550 million in losses throughout 23 states east of the Mississippi River.

Capping off January was heavy icing in Ohio, Pennsylvania, New Jersey and New York Jan. 27-29. Insured damage from that catastrophe has not yet been estimated, a PCS spokesman said.

Taken together, the freeze-related losses—now estimated at $825 million and expected to top $900 million when losses from the fourth storm are tallied—would rank as one of 10 largest U.S. catastrophes ever (see chart, page 1). All 10 of those disasters have occurred within the past five years.

Meanwhile, insured earthquake damage estimates also are growing as severe aftershocks continue to rattle Southern California, including a 5.0 aftershock on Jan. 30, nearly two weeks after the initial temblor (*BI*, Jan. 31; Jan. 24.)

"People are going to be staggered by how much damage was done," predicts Peter I. Yanev, president of EQE International Inc., a San Francisco-based loss control engineering firm that uses computer modeling to estimate earthquake damage.

EQE initially estimated insured earthquake damage at between $1.5 billion and $1.9 billion, but it is raising that estimate to account for water damage and business interruption claims, the spokesman said. The updated estimate is expected this week.

"A lot of insurers are going to be surprised by the severity" of damage caused by the quake, which measured 6.6 on the Richter scale and produced some of the strongest ground motions ever recorded. This intensity, and the location of the epicenter in the densely built San Fernando Valley, make this the most destructive earthquake in the United States since the 1906 San Francisco quake, according to a damage report by EQE.

Among the most heavily damaged structures were concrete tilt-up buildings—structures made with concrete walls poured on-site and then tilted up to form a frame—and wood frame, concrete block and older concrete frame structures typically built in the 1970s during Southern California's boom years, EQE reported.

The most severe commercial property damage was to shopping malls, parking structures, concrete tilt-up buildings and residential apartment buildings, according to EQE.

Widespread water damage occurred when the earthquake's motion jarred overhead sprinkler systems, many of which were installed adjacent to supporting beams and other piping.

"When these were installed, there was not much thought given to seismic movement," observed an EQE spokesman.

Water damage is not uncommon in earthquakes, though: One of the largest losses from the 1989 Loma Prieta earthquake was to a Hewlett Packard facility that was drenched by broken sprinkler pipes. The facility was out of commission for six months, according to EQE.

Among the insurers reporting loss estimates from the catastrophes:

- State Farm—California's largest property insurer, as well as the state's largest writer of earthquake coverage—estimated earthquake losses as of Thursday at more than twice the $140 million loss it incurred from the 1989 Loma Prieta quake.

Freeze damage has triggered $81 million in insured losses for State Farm, including $70 million from frozen pipes and the remainder from roofs that collapsed under the weight of ice and snow.

- Allstate Corp., parent of Allstate Insurance Co., is expecting about 25,000 auto and property damage claims from the earthquake totaling approximately $350 million. Allstate is the second-largest underwriter of quake coverage in California.

Allstate has received 37,000 freeze claims, but has not yet estimated their cost, a spokeswoman said, adding that all of the loss estimates are likely to be revised.

- ITT/Hartford Insurance Group estimates net pretax earthquake losses to total $28 million from about 1,800 claims so far.

The insurer expects claims from the four separate winter storms to total at least $18 million. "Those claims are mostly from Pennsylvania, Illinois, New Jersey, New York and Connecticut. They're continuing to come in," a spokeswoman said.

- Travelers Insurance Cos.' earthquake losses "won't exceed $15 million after taxes," a spokesman said. The insurer had received 121 commercial and 23 personal lines claims. "We're just a very small player in California."

Travelers had received 4,000 personal lines and 1,600 commercial claims from the freeze as of last Thursday and expects those numbers to grow. "The financial impact of the claims is still undetermined," he said.

- Nationwide Mutual Insurance Co. estimates that earthquake losses will be less than $10 million.

However, it expects to pay out nearly $50 million on 30,000 claims from the first three winter storms, with nearly half of those losses stemming from Pennsylvania, where the weight of snow caused a pair of warehouses to collapse, resulting in up to $6 million in insured damage. Most claims, though, are for personal lines losses like broken pipes that average $1,000 to $1,500 apiece.

"For us, these storm losses still shouldn't be as bad as last year's blizzard, which caused $80 million in losses," according to a spokesman.

- RLI Corp. estimates that its aftertax cost from the quake could range from $13 million to $17 million, based on losses reported to date and estimates by EQE's IRAS modeling system.

- Farmers Group Inc. of Los Angeles has not yet estimated losses, but so far has received 20,662 homeowners claims and 2,821 commercial claims from the earthquake. No winter storm claims figures were available.

- Aetna Casualty & Surety Co. also had no loss estimate for earthquake or winter storm losses late last week. Aetna has received 1,500 earthquake-related claims and 8,000 freeze claims.

As insurers tallied their losses, California legislation that would resurrect a state-run earthquake insurance program for homeowners was introduced by Assemblyman Rusty Areias, D-San Jose. A state-run quake insurance program was repealed last year after critics claimed that it was teetering on insolvency.

The Assn. of California Insurance Companies in Sacramento last week applauded the legislation's introduction. However, "We strongly believe the answer is federal legislation that covers other perils as well and spreads the risk of loss nationally," said ACIC President Tim Hart. "To us, the pending Natural Disaster Act bill by Rep. Norman Mineta, D-Calif., makes far more sense."

Support is growing for that bill, the National Disaster Protection Act, H.R. 2873 and S. 1350. Hearings were held on the Senate bill late last year; hearings on the House measure have been repeatedly postponed but may be held this week.

California Insurance Commissioner John Garamendi issued an emergency directive Tuesday barring insurers from canceling or refusing to renew any insurance policies in the earthquake-affected area for 60 days after the Jan. 17 quake.

State Farm backed off on a previously announced 18-county moratorium on selling new earthquake insurance, agreeing to limit its ban to five full counties—Los Angeles, Orange, Ventura, Santa Barbara and Kern—and parts of Riverside and San Bernardino counties.

Mr. Garamendi had criticized State Farm for initially extending the moratorium to cities up to 250 miles away from the earthquake zone.

•

Michael Schachner and Gavin Souter contributed to this report.

Lloyd's

Continued from page 2

out the testimony from Derek Walker," said a spokesman for Elborne Mitchell, the law firm representing the defendants. If Justice Peter Cresswell refuses an adjournment, the defendants will appeal and, if necessary, take its plea to the House of Lords, he said.

The defendants have waited until now to call for a postponement because "people's minds are more focused on the case now that it looks definite that members will refuse Lloyd's offer," the spokesman said.

However, "there is no overlap between the Serious Fraud Office investigation and our case," said Philip Rocher, a partner in Wilde Sapte, who represents the 3,000 Gooda Walker members opposing adjournment. "The testimony of Derek Walker is not vital."

Mr. Rocher claimed a postponement would not affect the Gooda Walker Action Group members' vote to reject Lloyd's offer.

But the threatened postponement shows just how vulnerable the members' litigation can be if they decide to reject Lloyd's offer.

"If they do not accept in a sufficient majority—which may well be the case—then I should be very sorry," Lloyd's Chairman David Rowland told *Business Insurance* last week. "I think many of them will rue the day. But I've done everything I can to help them."

However, Lloyd's will not extend its deadline to accept the offer if the Gooda Walker trial is postponed, he added. BI

GM

Continued from page 2

GM argued that "no charge" meant only that early retirees would not have to pay monthly premium contributions.

But, Judge Feikens ruled that the term was ambiguous. GM used imprecise language "and must bear the burden of this mistake," he ruled.

"GM was trying to have it both ways," by promising lifetime health benefits to encourage older workers to retire and then cutting those benefits later, said plaintiffs attorney Raymond Fay, a partner with Bell, Boyd & Lloyd in Washington.

GM is considering whether to appeal.

The decision "doesn't create new law, but it is an important reminder that a lot can be at stake" if benefits are not communicated properly, said Henry Saveth, a principal with benefit consultant A. Foster Higgins & Co. Inc. in New York. "Employers have to be extra careful and realize that even beyond their basic documents, they may have some document that may end up hanging them," he said.

That's especially important today, because many employers that are downsizing and offering early retirees health benefits take the position that they can amend those health benefit plans periodically, said John Hickey, a partner with benefit consultant Kwasha Lipton in Fort Lee, N.J.

•

Sprague et al. vs. General Motors Corp., U.S. District Court Eastern District of Michigan; No. 90-CV-70010.

Reform

Continued from page 1

not expect the Roundtable to endorse their proposal, the president's advisers had tried to convince the big-business group not to endorse the competing plan.

Though similar in a number of ways, the Cooper and Clinton plans differ in several vital areas. The administration proposal would require employers to pay 80% of the cost of employees' health care premiums; the Cooper bill would require no employer contribution.

In addition, the administration would require all employers with fewer than 5,000 workers to buy health coverage through state-run or affiliated purchasing alliances. The Cooper bill also would establish purchasing alliances, but they would be intended for much smaller employers.

• The U.S. Chamber of Commerce, in especially strong language, said it also could not support the administration's reform proposal.

The plan "imposes such a burden of high employer premium contributions, rich benefits and counterproductive regulations, and new federal and health alliance bureaucracy, that we believe that it cannot even be used as a starting point," Robert Patricelli, chairman of the Chamber's health and employee benefits committee, testified at a congressional hearing.

At that same House Ways and Means Committee hearing, a slew of other business groups also denounced the administration's bill.

An employer mandate would wipe out low-wage jobs and hurt "the very people the government is trying to help," said Montgomery Ward & Co. Chairman Bernard F. Brennan, who testified on behalf of the National Retail Federation.

• The National Governors' Assn., meeting in Washington last week, decided not to endorse the 80% employer contribution requirement in the Clinton plan.

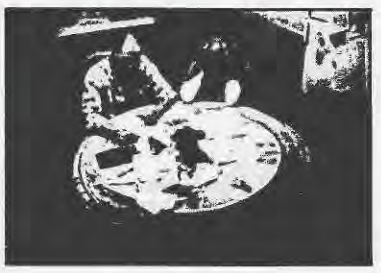
Instead, the NGA said, employers only should have to make a core benefits package "available to those employees who wish to purchase it," much as the Cooper plan proposes.

Amid the business complaints about the Clinton plan, one of its most loyal supporters on Capitol Hill faulted the president for not sticking to his position.

After President Clinton indicated that the administration is not wedded to caps on health care cost increases, Sen. John D. Rockefeller IV, D-W.Va., said that compromises should not be offered before serious deliberations begin in Congress.

"It is in this committee that compromise can be reached," Sen. Rockefeller said, referring to the Senate Finance Committee, of which he is a member.

These developments occurred against a backdrop of general congressional testiness and, at times



HIAA ads critical of the Clinton health care reform plan drew the anger of Sen. John D. Rockefeller last week.

downright nastiness.

Rep. Pete Stark, D-Calif., for example, said he would rather "throw up" than vote for Rep. Cooper's bill. Rep. Stark, chairman of the House Ways and Means health subcommittee, favors a single-payer system.

Sen. Rockefeller used a Finance Committee hearing as a forum to rip into the Health Insurance Assn. of America for television advertisements critical of the Clinton plan.

The ads, Sen. Rockefeller told HIAA President Bill Gradison, who was testifying before the committee, were probably the "single most destructive effort that I can remember in 30 years of public life."

The ads, the senator added, were pressing all the "hot buttons" and could turn the American people against not only the Clinton proposal but health care reform in general.

However, Sen. Bob Packwood, R-Ore., said the HIAA's ads probably were no worse than most congressional campaign advertising.

And, in one of the few attempts at humor in Congress last week, Senate Finance Committee Chairman Daniel Patrick Moynihan, D-N.Y., said: "If the quality of our political ads is the standard, that will be the end of civilization as we know it."

While a blow to the administration, the Business Roundtable's rejection of its proposal is not a surprise: A Roundtable policy committee last month gave tentative support for the Cooper plan as a "starting point" for reform.

Since then, administration officials have been trying to persuade the CEOs in the group to hold off on an endorsement, or anything akin to it, of the Cooper bill.

As part of that lobbying effort, administration officials told CEOs that a special effort had been made to accommodate their interests, most notably the provision that would shift 80% of early retiree health care liabilities from corporate plans to the government.

That wasn't enough for the Roundtable. The Clinton bill, Roundtable officials said, would give the government too much control over the health care system.

While the president and Hillary Rodham Clinton should be commended for their commitment to reform, people "do not want the government to make all the decisions for them," said Roundtable Chairman John Ong, CEO of The BF Goodrich Co. in Akron, Ohio.

The Cooper bill "balances government-led reforms with market-oriented solutions. This approach fosters competition, which yields a better health care product for the consumer at a lower price," he said.

Meanwhile, the Chamber said it couldn't support the Clinton plan for a number of reasons, most notably because it would require employers to pay such a big share of premium costs and because of what the Chamber's Mr. Patricelli described as the creation of a new bureaucracy.

Mr. Patricelli is chairman and CEO of Value Health Inc., a managed care firm in Avon, Conn.

For its part, the administration says it is looking ahead. "The president is a lot more concerned about the way this process ends than how it begins," a White House spokesman said.

Indeed, Washington observers say it is still too soon to label any reform bill as "alive" or "dead." They stress that more compromises are essential before any legislation is passed.

"Everyone has to make some moves in the next few months, with the administration having to make the biggest move" by offering specific changes rather than general statements about compromise, suggested Frank McArdle, a consultant with Hewitt Associates in Washington. BI

Court rules cap doesn't limit awards

DENVER—A statutory cap on non-economic damages acts as a limit on the liability of individual defendants rather than a cap on the plaintiff's total award, the Colorado Supreme Court has ruled.

In two cases involving multiple defendants who were each partially at fault, the high court ruled last month that a percentage of liability must be assigned to each defendant before a $250,000 statutory cap on non-economic damages is individually applied.

Lower courts in Colorado have interpreted the statute differently.

While non-economic damages—typically damages for pain and suffering—are capped in many states, this is the first time a state supreme court has ruled on the issue of whether the cap is applied before or after liability is assessed, attorneys say.

According to court papers, California is the only other state to address the issue but has yet to resolve it.

For plaintiffs suing multiple parties, the potential award is much greater if the cap is applied after liability is apportioned.

In one of the two suits, the jury awarded $1 million in non-economic damages to Donald Niemet, who suffered severe burns and shoulder injuries as a result of an explosion and fire caused by a defective and improperly grounded General Electric Co. transformer. Jurors apportioned 55% of the fault to the city of Colorado Springs, Mr. Niemet's employer, 35% to GE and 10% to Mr. Niemet.

The court also found that clear and convincing evidence existed to raise the cap to $500,000. Since GE's share of the award, $350,000, was less than $500,000, the court did not apply the statutory cap.

If the court had applied the cap before it apportioned liability, it would have begun by reducing the $1 million jury verdict to $500,000. GE would have been responsible for 35% of the $500,000, or $175,000.

Attorneys say that because of the ruling, injured parties will be more inclined to sue as many parties as possible.

The ruling tells plaintiffs to "not limit their liability by suing one person," said Mark H. Dumm, an attorney with Watson, Nathan & Bremer in Denver, who represented GE.

"The Legislature, in enacting the cap, was not intending to harm the injured person; it was intending to make insurance more affordable for defendants," said Douglas E. Bragg, an attorney with Bragg, Baker & Sederberg in Denver.

For defendants, the ruling does not change much—each defendant has the same cap and insurers can determine the risk involved, he said. However, for the injured party, the ruling "increases the amount received if a multiple number of defendants" are found liable.

Mr. Bragg wrote an amicus brief for the Colorado Trial Lawyers Assn.

—By Sally Roberts

Updates

Lloyd's '94 capacity increased

LONDON—Lloyd's of London's official 1994 capacity is 10.9 billion pounds ($16.13 billion), 24% higher than the 1993 capacity of 8.8 billion pounds ($13.33 billion), the market announced last week.

Of the 1994 capacity, 1.6 billion pounds ($2.37 billion) comes from new corporate members, who have invested 900 million pounds in capital ($1.33 billion) (*BI*, Jan. 10).

Individual members increased their premium income capacity this year by about 6% to 9.3 billion pounds ($13.85 billion). About half of the 18,022 individual members are investing through trusts, known as Members Agents Pooling Arrangements, that spread risk among several syndicates and cap members' liability.

Total syndicates fell to 179 this year from 230 in 1993.

Lloyd's Central Fund totals 520 million pounds ($769.3 million), after members paid off 630 million pounds ($932.1 million) of debts.

Meanwhile, Lloyd's disciplined an underwriter for the first time in several years by censuring Edward Cowen, former underwriter for ongoing syndicate 529 managed by Sterling Underwriting Agencies Ltd. He was charged with detrimental conduct for placing reinsurance contracts on behalf of his syndicate between December 1987 and December 1988 that did not transfer risk. He also was cited for writing a reinsurance contract likely to produce substantial losses.

Mr. Cowen has been suspended from the market since 1989.

Break-in-service claim denied

CHICAGO—The Employee Retirement Income Security Act of 1974 does not alter a pre-ERISA pension plan that denied workers credit for years of service before a break in service, a federal appeals court has ruled.

Evan Jones worked from 1949 to 1960 for a company that is now a division of Allied Signal Inc. During that time, the company contributed to a pension plan. Mr. Jones left the company in 1960 but returned the next year and worked until he retired in 1985.

In a suit against Allied Signal and its plan, which had absorbed the original plan, Mr. Jones claimed ERISA entitles him to credit for working from 1949 to 1960, as well as from 1961 to 1985.

But the Allied-Signal plan credits employees only for "years of service," defined as the last continuous period of employment.

Nothing in ERISA alters the meaning of those terms, a panel of the 7th U.S. Circuit Court of Appeals ruled Jan. 27. The panel upheld a lower court's summary judgment for the company.

Non-standard term still unclear

SPRINGFIELD, Ill.—The Illinois Supreme Court still has not decided whether a non-standard exclusion in an additional insured endorsement is against public policy.

In a ruling Thursday, the court did grant the Glenview Park District indemnity coverage for claims under the Illinois Structural Work Act and defense coverage for all liability claims. But the 5-2 ruling did not address the validity of the non-standard exclusion.

Under the exclusion, "damages arising out of the negligence of the additional insured(s)" are not covered.

In a dissent, Chief Justice Michael A. Bilandic argued that the negligence exclusion "deceptively" affects the policy and should not be enforced. That was the position urged by state insurance regulators.

The case emerged after a contractor's employee was seriously injured when he fell from a scaffold while painting the park district's ice rink. The district relied on the contractor's certificate of insurance as proof of standard underlying coverage (*BI*, Jan. 18, 1993).

National Union Fire Insurance Co. of Pittsburgh, Pa., argued the certificate was not proof of insurance, and its view was partially upheld by an appellate court. The case was sent back to the trial court.

Briefly noted

Congressional backers of a **single-payer health care system**—including Rep. Jim McDermott, D-Wash., and Sen. Paul Wellstone, D-Minn.—have proposed a payroll tax of up to 8.4% on employers and a 2.1% tax on individuals' taxable income to help finance universal coverage. . . .The New York Insurance Department has tapped **James T. Dolan**, a longtime FBI special agent, to head a strengthened antifraud unit. Mr. Dolan supervised welfare, bank and mail fraud at the FBI. . . .Citing positive implications resulting from **Travelers Insurance Group's** recent merger with Primerica Corp., A.M. Best Co. last week raised its rating of the insurer to A from A-. The rating applies to the group's six property/casualty intercompany pool members. . . .A House panel last week held its first **product liability reform hearings** since the 1980s. The Subcommittee on Commerce, Consumer Protection and Competitiveness hearings on H.R. 1910 revolved around drugs and medical devices. The Senate Commerce Committee has already approved companion legislation, and a full Senate vote could come next month. . . .The Assn. of British Insurers estimates **insured losses from windstorms and floods** that ravaged large parts of Britain in late December will be 60 million pounds ($89.3 million). . . .The National Council on Compensation Insurance filed for a 0.3% decrease in **Kansas' workers comp insurance rates**, citing a reform law that has saved Kansas employers more than $36 million since it went into effect July 1, 1993, and will save an additional $30 million in 1994 (*BI*, May 10, 1993). If approved by Kansas regulators, the rates will take effect June 1. . . .**Vik Brothers Insurance Inc.** is buying four property/casualty insurer units of Armco Inc. for $85 million. Combined, the four—Northwestern National Holding Co. Inc. and its affiliated companies, Northwestern National Casualty Co., Pacific National Insurance Co. and Statesman Insurance Co.—wrote $247 million in premiums in 1992. . . .The California Supreme Court has granted review of appeals of the controversial 1987 decision by Judge Ira Brown in the **coordinated Asbestos Insurance Coverage Cases** (*BI*, June 1, 1987).

Superfund

Continued from page 1

cess of meeting Superfund responsibilities. For example, parties that contributed less than 10 pounds of hazardous waste or less than 500 pounds of municipal solid waste to a site would be exempt from all liability. Additionally, municipalities' aggregate liability for municipal solid waste dumped at a given site would be capped at 10% of the total cleanup cost.

Larger potentially responsible parties would be subject to a system of non-binding allocation of liability. If a PRP agreed to the allocation, it couldn't be sued by other PRPs. If the PRP does not accept the allocation, it could be sued and held jointly and severally liable for the cleanup of a site.

The proposal would saddle commercial liability insurers and reinsurers with a new tax that could cost them $700 million or more annually within a few years. The tax would be levied according to a complex formula generally based on net premiums written between 1971 and 1985 and by an "environmental insurance resolution assessment" on certain current premiums.

The tax revenues would finance an Environmental Insurance Resolution Fund. PRPs could tap the fund to resolve portions of pre-1986 Superfund claims against their insurers. The amount the PRPs could recover from the fund would vary depending upon a state's law. PRPs would receive 20%, 40% or 60% of cleanup costs, depending on whether the law in the state in which a cleanup coverage lawsuit was filed favors the insurer, the polluting business or neither side.

Because of that compensation approach, some insurers fear that PRPs with weak cases will settle for what they can get from the fund, while those with stronger cases against their underwriters will take the matter to court anyway.

Amid these concerns, several business and insurance groups are calling the proposal at most a "starting point" toward true reform of the controversial environmental cleanup program.

"They probably have created more problems than they solved. And I think the reaction in the insurance industry and the business community has not been very good. Without being too critical—because I think their intentions were good—the final product seems to make Superfund more complicated than even the current law," said Peter Lefkin, vp-federal affairs for Fireman's Fund Insurance Co.

"Our sense is there probably needs to be some significant changes from the proposal unveiled today that would make this true reform," said David M. Farmer, senior vp-federal affairs for the Alliance of American Insurers.

Mr. Farmer contends the object of Superfund reform is to reduce transaction costs and create some certainty for defendants, including insurers.

Because parties that are dissatisfied with the amount they could receive from the Environmental Insurance Resolution Fund would still be able to sue their insurer, "we would question whether or not the proposal would overall reduce the transaction costs of the program," Mr. Farmer said. "An insurer will pay into the fund and additionally still be possibly sued, so we are wondering how this proposal would meet the stated policy objective. It certainly does have the potential to exacerbate the status quo."

"While the president's plan moves in the right direction, if it is not changed, it could actually result in a problem worse than the status quo," said Fred C. Burns, president of the Council of Insurance Agents and Brokers. "The insurance industry has been very open to the trust fund idea, because it could dramatically reduce legal costs and get the badly needed cleanups under way. But if property/casualty insurers are going to be hit with high new taxes, the current liability regime must be eliminated," said Mr. Burns, who is managing partner of broker John L. Wortham & Son in Houston.

Mike McGavick, executive director of the American Insurance Assn.'s Superfund Improvement Project, called the proposal a "starting point." He added, however, that the allocation scheme and the insurance provisions require further work to achieve the goal of faster, fairer environmental cleanups.

Another insurer-backed group, the National Environmental Trust Fund, said its members "regret that the administration's proposal in its current form will not speed cleanup and lower transaction costs for all stakeholders."

Business groups, though not quite as skeptical of the plan as insurers, had questions as well.

The Chemical Manufacturers Assn., for example, called the plan "an excellent point of departure." But the CMA found fault with the administration's plan for national cleanup standards that will "preclude consideration of important site characteristics, which may require cleanups more or less restrictive than a generic national standard." The CMA also noted that the proposed liability standards "stop short of the binding arbitration approach" recommended last year by the CMA.

The National Assn. of Manufacturers reserved judgment on the proposal.

"NAM has all along called for comprehensive reform, and this bill appears to address a lot of the issues we felt needed to be revised to make a better program. However, we reserve the right to comment on specifics until our members have had time to analyze the details," said Theresa Larson, associate director for environmental quality. Key concerns for NAM members include remedy selection, cleanup standards and liability.

In fact, the plan may be a starting point on the road to nowhere if it turns out the bill was introduced too late in the congressional session to clear the many hurdles it faces.

Rep. Swift acknowledged as much last Thursday as he convened a hearing on the proposal moments after it went to the printer.

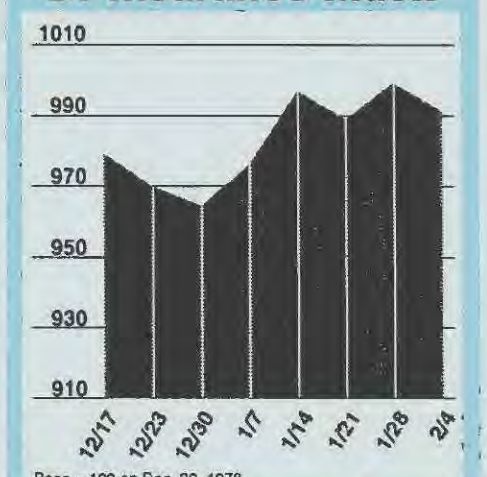
He noted that the House and Senate have 70 legislative days in which to pass a Superfund reauthorization bill. Superfund must be reauthorized—or temporarily extended in its present form—this year, or the government would lose its ability to levy special taxes on chemical manufacturers and others to fund cleanups.

However, Rep. Swift said that the bill doesn't have to die in the congressional maze. "All stakeholders (have) agreed that Superfund is in urgent need of reform. And I am convinced that if everyone comes to the table quickly and negotiates in good faith, consensus can be reached on the legislative changes that are required," he said.

Shortly after Rep. Swift's remarks, Republicans on the panel questioned whether the administration itself had acted in good faith as it devised its Superfund proposal. They complained that they had been cut out of the process that created the bill and warned that the administration must build bipartisan support to pass the bill.

Meanwhile, Senate Environment and Public Works Committee Chairman Max Baucus, D-Mont, was sounding the same alarm as Rep. Swift. "We don't have a lot of time this year," he said as he ticked off a list of other legislation with which Congress must deal, including health care reform, welfare reform and a comprehensive crime package. BI

BI Insurance Index



Insurance stocks fell last week, as the *Business Insurance* Index lost 8.9 points to 991.2 Feb. 4 from 999.1 on Jan. 28. Advancing issues for the week were led by: United Fire & Casualty, up 8.3%; PacifiCare Health Systems, up 7.2%; and USF&G Corp., up 7.1%. Declining issues for the week followed: Seibels Bruce Group, down 21.4%; Guaranty National Corp., down 21.3%; and AVEMCO Corp., down 10.3%. The most active issue was U.S. Healthcare, 6.1 million shares traded. The *BI* Index fell 0.8%; the Dow Jones 30 Industrials lost 1.9%; the NYSE Composite fell 1.6%; and the Standard & Poor's 500 fell 1.9%.

British Issues

Feb. 3 Companies	Price pence	P/E	Div. pence	Yield %	1 week High—Low pence pence
Comml Union	675	N/M	29.8	4.4	698—675
Genl Accident	701	N/M	33.8	4.8	727—701
Gdn Royal Exch	242	N/M	9.0	3.7	246—242
Royal	337	N/M	8.0	2.4	345—337
Sun Alliance	409	N/M	17.8	4.4	416—406
Brokers					
Bradstock	165	18.5	6.9	4.2	165—161
CE Heath	449	21.5	20.0	4.5	455—447
Hogg Group	139	23.2	7.1*	5.1	142—139
JIB Group	189	18.6	9.5	5.0	189—181
Lloyd Thmpson	302	20.3	8.4	2.8	302—301
Lowndes Lmbrt	471	17.0	16.8	3.6	471—471
PWS Holdings	82	12.0	5.0	6.1	82—82
Sedgwick Grp	190	22.3	7.5	3.9	190—188
Steel Brl Jones	124	N/M	15.0	12	126—124
Willis Corroon	220	20.5	8.3	3.8	222—219

Source: Philip Olsen, London * Forecast

BI Industry Stock Report

JAN. 31, 1994 THROUGH FEB. 4, 1994

		Price	Weekly % change	Year to date % change	Annual High	Annual Low	Vol.(000)	$ Div.	% Yield	P/E	Book value	Mkt./Bk. value
BROKERS												
Acordia Inc.	NYS	23.50	-3.09	-4.57	27.63	18.38	18	0.44	1.87	13	10.22	2.30
Alexander & Alexander	NYS	20.88	-0.60	5.03	28.50	17.63	475	1.00	4.79	38	6.73	3.10
E.W. Blanch Holdings Inc.	NYS	17.88	-4.67	2.88	23.50	16.50	163	0.32	1.79	18	4.10	4.36
Gallagher Arthur J. & Co.	NYS	30.25	-1.22	-15.38	37.38	25.50	381	0.72	2.38	15	7.52	4.02
Hilb, Rogal & Hamilton	NYS	11.88	-3.06	-9.52	16.88	11.38	214	0.48	4.04	18	4.51	2.63
Marsh & McLennan	NYS	81.13	-0.76	-0.31	96.50	77.00	873	2.68	3.30	18	16.76	4.84
Poe & Brown	OTC	18.00	-4.00	0.00	21.25	16.25	16	0.40	2.22	31	3.02	5.96
BROKERS	AVERAGE		-2.5	-3.1					2.9	22		
INSURERS/REINSURERS												
ACE Ltd.	NYS	27.75	-2.63	-9.02	36.00	25.50	794	0.40	1.44	5	28.74	0.97
Acceptance Insurance Cos.	NYS	12.75	-6.42	9.68	15.63	9.75	168	0.00	0.00	14	9.65	1.32
AEGON N.V.	NYS	53.50	-2.73	-2.28	58.50	43.25	60	1.22	2.28	11	34.71	1.54
Aetna Life & Casualty	NYS	61.38	2.51	1.87	66.25	43.38	2117	2.76	4.50	21	71.84	0.85
Allied Group Inc.	OTC	24.50	-4.85	-2.00	32.75	21.34	281	0.52	2.12	7	10.45	2.34
Allmerica Prop. & Casualty	NYS	20.13	-0.62	-6.58	22.16	17.16	311	0.16	0.80	5	56.97	0.35
Allstate Corp.	NYS	27.13	-4.82	-8.82	34.25	27.13	3802	0.72	2.65	13	18.43	1.47
American General	NYS	26.63	-6.58	-6.58	36.50	26.25	2928	1.08	4.06	23	22.09	1.21
American Heritage Life Ins.	NYS	18.00	-5.26	-3.36	25.34	17.25	36	0.60	3.33	11	12.42	1.45
American Indemnity/Fin'l	OTC	13.75	-1.79	5.77	16.25	7.75	17	0.12	0.87	5	16.18	0.85
American International	NYS	88.13	-3.82	0.00	100.25	73.41	2895	0.40	0.45	15	45.25	1.95
American Re Corp.	NYS	30.63	0.00	8.41	40.50	25.75	235	0.00	0.00	21	14.80	2.07
Aon Corp.	NYS	47.13	-1.82	-2.33	58.50	45.00	481	1.80	3.82	15	33.10	1.42
Argonaut Group	OTC	30.50	0.00	0.00	35.50	28.75	93	1.00	3.28	9	27.65	1.10
AVEMCO Corp.	NYS	16.38	-10.27	-12.67	25.50	16.38	53	0.44	2.69	12	8.13	2.01
Baldwin & Lyons Inc.	OTC	15.75	4.13	5.88	16.25	11.16	150	0.20	1.27	12	12.59	1.25
Berkley W.R. Corp.	OTC	35.75	2.14	9.16	50.50	32.00	874	0.40	1.12	13	28.12	1.27
Berkshire Hathaway Inc.	NYS	16350.0	1.87	0.15	117800.0	11800.0	0	0.00	0.00	43	8115.28	2.01
Chandler Insurance	OTC	6.38	4.08	15.91	6.50	3.50	10	0.00	0.00	15	8.87	0.72
Chubb Corp.	NYS	77.63	-5.19	-1.27	96.38	75.13	2681	1.72	2.22	21	46.59	1.67
CIGNA Corp.	NYS	66.13	-3.11	4.55	70.50	56.50	1271	3.04	4.60	11	78.23	0.85
CNA Financial Corp.	NYS	78.00	-1.42	-0.95	100.63	74.25	73	0.00	0.00	-7	77.92	1.00
Continental Corp.	NYS	27.00	-4.00	-2.26	34.63	24.38	1088	1.00	3.70	11	38.99	0.69
EXEL Ltd.	NYS	43.50	0.29	-3.33	52.25	42.25	548	1.20	2.76	6	33.81	1.29
Fremont General Corp.	NYS	23.50	1.08	-2.59	28.75	21.00	287	0.72	3.06	8	23.40	1.00
Frontier Insurance Group	NYS	41.75	-1.47	-4.84	50.00	36.72	84	0.60	1.44	14	16.33	2.56
Gainsco Inc.	ASE	9.00	-10.00	0.00	17.47	8.25	312	0.04	0.44	12	3.49	2.58
General RE Corp.	NYS	108.25	-4.42	1.88	133.38	102.50	1039	1.88	1.74	14	55.54	1.95
Guaranty National Corp.	NYS	13.88	-21.28	-20.71	24.75	13.88	1159	0.48	3.46	8	11.81	1.17
Harleysville Group	OTC	27.50	0.00	-3.51	32.75	22.63	73	0.64	2.33	14	18.35	1.50
Hartford Steam Boiler	NYS	49.88	-2.68	12.08	59.88	42.63	232	2.12	4.25	79	15.80	3.16
HCC Insurance Holdings	OTC	26.00	-8.77	-14.05	35.75	16.50	219	0.00	0.00	18	14.94	1.74
Home Holdings Inc.	NYS	17.63	3.68	2.17	18.50	16.75	336	0.00	0.00	-	19.96	0.88
ITT (Hartford Group)	NYS	98.63	1.81	7.49	100.00	72.25	1412	1.96	1.99	-	57.11	1.73
Kemper Corp.	NYS	41.00	5.47	14.29	43.00	26.13	3926	0.92	2.24	-9	38.98	1.05
Lawrence Insurance Group	ASE	3.38	-3.57	-6.90	8.13	3.25	7	0.00	0.00	-	4.26	0.79
Liberty Corp.	NYS	27.00	-0.92	9.09	34.75	23.75	70	0.60	2.22	11	21.44	1.26
Lincoln National	NYS	40.38	-2.71	-6.10	48.25	34.69	874	1.64	4.06	9	32.53	1.24
Markel Corp.	OTC	41.75	1.21	8.44	42.50	32.25	21	0.00	0.00	11	24.68	1.69
Mid Ocean Ltd.	OTC	26.25	2.94	-7.08	34.75	25.00	545	0.00	0.00	14	20.24	1.30
Mutual Risk Mgmt. Ltd.	NYS	27.13	1.40	-9.58	32.75	21.16	295	0.28	1.03	19	5.71	4.75
NAC Re Corp.	OTC	30.50	-2.40	4.72	44.75	27.50	568	0.16	0.52	17	18.24	1.59
National Re Corp.	NYS	27.38	-7.20	-10.61	39.63	27.38	49	0.16	0.58	8	16.39	1.62
Navigators Group	OTC	28.50	-3.39	-18.57	39.00	28.50	15	0.00	0.00	16	16.36	1.68
Nobel Insurance LTD.	OTC	8.00	0.00	4.92	8.44	6.25	37	0.00	0.00	3	6.34	1.17
NWNL Companies	NYS	30.38	-4.71	-6.54	38.75	26.50	415	0.80	2.63	12	23.97	1.27
Ohio Casualty Corp.	OTC	63.25	-0.39	-1.17	72.00	57.63	154	2.84	4.49	13	47.56	1.33
Old Republic Int'l	NYS	22.38	1.13	-0.56	27.63	21.50	681	0.44	1.97	9	23.57	0.95
Orion Capital Corp.	NYS	33.00	0.76	6.88	37.50	28.63	82	0.72	2.18	9	25.56	1.29
Phoenix RE Corp.	OTC	25.00	-2.91	-9.09	38.25	21.50	510	0.28	1.12	-	19.36	1.25
Provident Life	NYS	30.75	-2.38	-2.77	31.88	25.63	206	1.04	3.38	11	26.36	1.17
Re Capital Corp.	OTC	14.00	-2.61	2.75	16.25	13.25	36	0.28	2.00	15	16.86	0.83
Reliance Group Holdings	NYS	6.88	-8.33	-11.29	10.38	5.63	783	0.32	4.65	3	4.22	1.63
RLI Corp.	NYS	24.00	-1.54	-10.28	28.63	23.25	111	0.56	2.33	10	22.31	1.05
St. Paul Companies	NYS	85.63	-3.11	-4.60	98.00	75.00	438	2.80	3.27	9	57.34	1.48
SAFECO Corp.	OTC	57.50	-2.75	5.26	66.75	51.88	1449	1.80	3.13	10	41.59	1.38
SCOR U.S. Corp.	NYS	12.00	2.13	-4.95	20.75	11.50	59	0.32	2.67	10	16.36	0.75
Seibels Bruce Group	OTC	1.38	-21.43	-21.43	2.13	0.31	66	0.00	0.00	0	1.90	0.72
Selective Ins. Group	OTC	28.75	3.60	-4.96	31.00	20.50	52	1.12	3.90	17	23.11	1.24
Sphere Drake Holdings	NYS	16.75	-4.29	1.52	21.63	15.50	226	0.12	0.72	17	N.A.	N.A.
Statesman Group Inc.	NYS	12.38	-6.60	-1.00	15.72	9.75	438	0.10	0.81	5	8.55	1.43
TIG Holdings	NYS	21.38	-2.29	-5.52	28.00	20.25	927	0.20	0.94	-9	18.49	1.16
Tokio Marine & Fire	OTC	59.38	1.28	9.95	67.00	46.88	6	0.37	0.62	39	57.72	1.03
Torchmark Corp.	NYS	48.75	3.17	8.94	64.75	41.13	750	1.12	2.30	14	17.35	2.81
Transatlantic Holdings	NYS	52.00	-2.58	-2.58	61.50	49.00	200	0.36	0.69	13	29.60	1.76
Travelers Corp.	NYS	39.25	-5.42	0.96	49.50	26.00	3905	0.52	1.32	10	33.35	1.18
Trenwick Group Inc.	OTC	36.25	-0.68	-6.45	49.75	35.00	181	0.88	2.43	11	26.00	1.39
United Fire & Casualty	OTC	39.00	8.33	8.33	42.00	34.75	2	1.08	2.77	-	28.96	1.35
Unitrin	OTC	42.00	-1.47	-1.18	46.75	39.00	386	1.40	3.33	23	38.90	1.08
UNUM Corp.	NYS	50.13	0.50	-4.52	60.13	47.75	544	0.80	1.60	13	27.55	1.82
US Facilities Corp.	OTC	10.50	-6.67	-11.58	14.00	6.50	99	0.00	0.00	10	10.48	1.00
USF&G Corp.	NYS	15.13	7.08	0.00	19.63	12.38	3083	0.20	1.32	-	10.60	1.43
USLICO Corp.	NYS	16.13	-3.01	-2.27	19.00	15.50	148	0.24	1.49	-6	25.22	0.64
USLIFE Corp.	NYS	40.38	1.89	4.19	45.75	35.75	209	1.24	3.07	11	41.73	0.97
Washington National	NYS	23.75	-5.47	-2.06	28.00	21.75	91	1.08	4.55	10	28.40	0.84
Zenith National Ins.	NYS	23.00	2.22	3.95	29.25	21.25	44	1.00	4.35	11	17.71	1.30
Zurich Reinsurance Centr.	NYS	27.00	1.41	-4.42	36.38	26.25	114	0.00	0.00	-	24.41	1.11
INSURERS/REINSURERS	AVERAGE			-2.0	-1.2					2.0	11.3	
HEALTH MAINTENANCE ORGANIZATIONS												
FHP International	OTC	27.50	1.85	5.77	30.00	18.25	1272	0.00	0.00	19	11.43	2.41
Pacificare Health Sys.	OTC	48.50	7.18	28.48	57.50	25.50	262	0.00	0.00	20	11.15	4.35
Safeguard Health Enter.	OTC	14.63	-1.68	17.00	15.25	7.75	21	0.00	0.00	18	5.71	2.56
Sierra Health Services	ASE	27.63	1.84	24.16	27.88	11.50	433	0.00	0.00	21	4.60	6.01
TakeCare Inc.	OTC	63.50	-1.93	16.51	65.50	25.75	898	0.00	0.00	21	18.69	3.40
United Healthcare Corp.	NYS	84.13	-1.03	12.54	86.50	40.00	1398	0.00	0.00	38	10.64	7.91
U.S. Healthcare	OTC	63.75	-3.41	10.87	67.75	36.75	6118	0.64	1.00	26	6.21	10.27
Wellpoint Health Networks	NYS	33.13	3.52	7.29	37.88	23.00	468	0.00	0.00	20	10.94	-
HMOs	AVERAGE			0.8	15.3					0.1	20	
ALL COMPANIES	AVERAGE			-1.2		3.7					2.1	15

System design: Nordby International Inc.









©1992 Reliance National Insurance Company

RELIANCE NATIONAL'S
Accident & Health Division

The Worldwide Accident & Health Division can serve all of your clients' needs by offering an array of unique and much needed benefits.

Some of our product lines include:

- Foreign Visitor Medical Plans
- Provider Excess Coverage
- Stop Loss Medical
- Prescription Drug Plans
- Group Accident Programs
- Individual High Limit Disability
- Special Risks, including Student Plans
- Non-Subscriber and Excess Occupational Accident Programs
- Specified Disease Plans, i.e., HIV, Prostate Cancer

THE CHOICE

Reliance National
A Reliance Group Holdings Company

77 Water Street, New York, N.Y. 10005

For further information
write us or call (212) 858-6308
Fax 212-858-6660

Reliance National underwrites through: Reliance National Insurance Company, Reliance Insurance Company, Planet Insurance Company, United Pacific Insurance Company, Reliance Insurance Company of Illinois, and Reliance Insurance Company of New York.