

# PANDEMIC + HURRICANE PART 2

---

Leveraging technology to minimize claims adjusting disruptions

**Webinar will start momentarily**



COLODNY  
FASS

# PANDEMIC + HURRICANE - PART 2

---

Leveraging technology to minimize claims adjusting disruptions



## **Moderator Wes Strickland**

Shareholder

Colodny Fass

Insurance Regulatory & Transactions Practice

# AGENDA

- **David Altmaier**, Florida Insurance Commissioner
- **Mike Williams**, Principal Consultant, Aon Inpoint
- **Quin Netzel**, Managing Director, Claim Central
- **Chaz Mello**, Senior Vice President, J.S. Held

# Speaker: Commissioner David Altmaier



**David Altmaier**  
Insurance Commissioner

David Altmaier was appointed as the Florida Insurance Commissioner in April 2016 by the Financial Services Commission. He leads the Office of Insurance Regulation (OIR) and has oversight of one of the largest insurance markets in the world. Under Altmaier's leadership, OIR has worked to cultivate a market in Florida in which insurance products are reliable, available, and affordable.

Altmaier began his public service at OIR in 2008, serving in a number of roles including Chief Analyst of the Property and Casualty Financial Oversight unit and Deputy Commissioner of Property and Casualty Insurance. In 2019, Altmaier was voted Vice President of the National Association of Insurance Commissioners (NAIC) and was voted NAIC President-Elect for 2020. In his role as President Elect, Altmaier serves as Vice Chair of the Executive Committee, Internal Administration Subcommittee and the Government Relations Leadership Council. Commissioner Altmaier was also appointed by Governor DeSantis to serve as a member Florida's Blockchain Task Force.

Prior to joining OIR, Altmaier worked as a Florida licensed 2-20 and 2-14 insurance agent and as a high school math teacher. Altmaier graduated from Western Kentucky University in 2004 with a bachelor's degree in mathematics.

# Speaker: Mike Williams



**Mike Williams**

Principal Consultant, Aon Reinsurance  
Solutions – Inpoint  
E-Mail: Michael.A.Williams4@aon.com

Mike leads Inpoint's Florida Homeowners initiative for Aon Inpoint Claims. His experience spans all major lines of personal and commercial lines claims, including catastrophe response, litigation management, operational transformation, and technical handling improvement initiatives. In his current role with Aon Inpoint he oversees claims operational and technical initiatives to drive sustainable loss ratio improvement, strategic alignment and operational efficiency, with particular expertise in the Florida Homeowners market. He has successfully delivered measurable improvements to claims operational and technical performance with more than 50 insurers across North & South America, Asia-Pacific, and European markets. Mike's unique experience with data-driven approaches to claims strategy enables insurers the opportunity to innovate and remain competitive in today's increasingly challenging P&C Claims environment.





# Aon Inpoint Claims

Florida Homeowners Claims practice group

# Macroeconomic impact of Covid-19 on Homeowners Insurance Market

In the span of less than 3 months Covid-19 presents perhaps the most costly economic event since the Great Depression

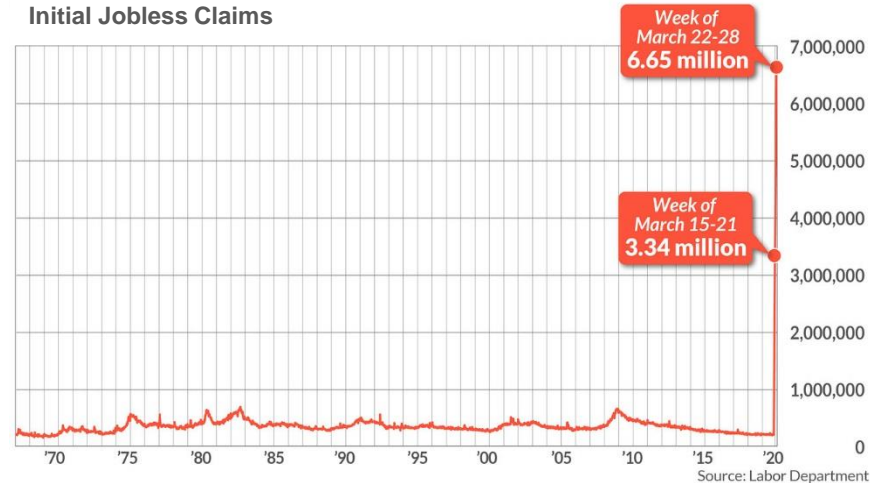
## Macroeconomic projections for Q2

- GDP -38% (Morgan Stanley)
- Unemployment 15% (Goldman Sachs)
- Likely second wave impact in Q3 / Q4

## Financial Impact to Insurers

- Market performance adversely impacting investment income
- May produce obstacles to rate increases and legislative / regulatory reforms
- Delays or non-payment of premiums
- Potential lapses in coverage
- Alteration of risk factors

Initial Jobless Claims



# Covid-19 impacts on Florida Homeowners claims

Covid-19 presents challenges to claim organizations, but recent weeks have shown a period of relief to most Homeowners operations in Florida



## Emerging Opportunities

Drop in new claim receipts is enabling pending reduction

Accelerating settlement rates of litigation as insureds and businesses pursue liquidity

Possible reduction in new litigation

Claim volume and adjuster resourcing levels beginning to better align

Opportunity to complete internal projects and prepare for cat season



## Emerging Challenges

New complexity to handling of coverage determination due to payment issues and coverage lapse

Performing interior inspections by field adjusters

- Impacts to technology, processes and segmentation

Adapting to virtual workplace

- Productivity management
- Quality and supervision
- Recruiting, training & coaching
- Culture & morale

Fraud (internal and external)

Strategic projects & initiatives



## Impact to Cat Response

Better storm mitigation efforts by insureds who may be reluctant to evacuate during outbreak or lockdowns

Performing inspections to home interiors

Mobilizing temporary cat desk examiners in a virtual environment

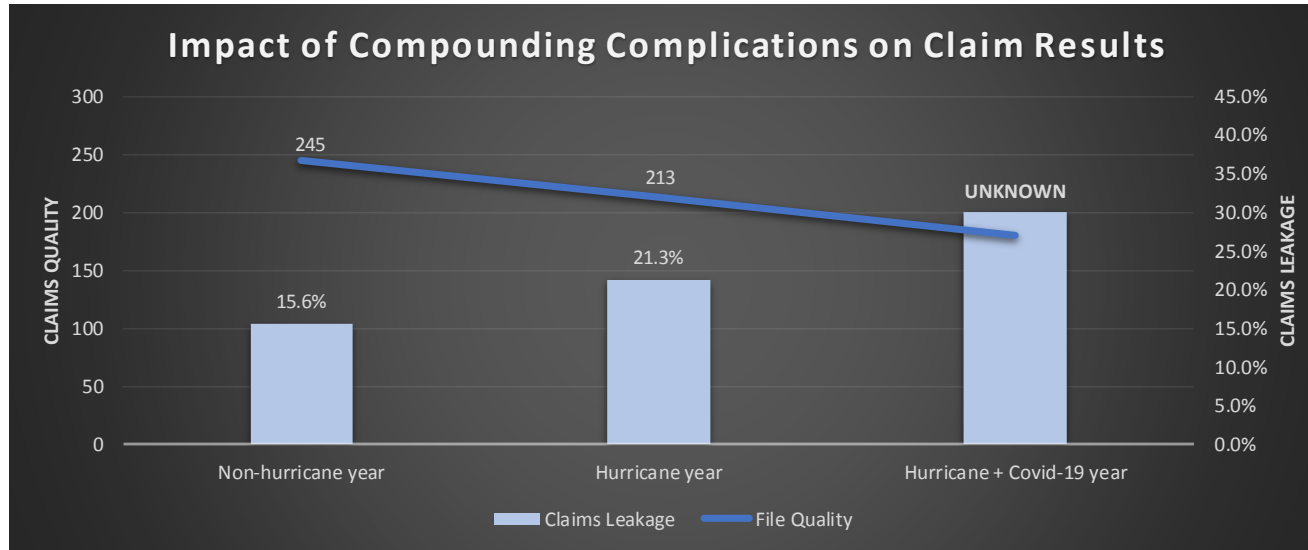
Insureds may be more prone to performing DIY loss mitigation rather than engaging vendors

Unclear how Covid may impact utilization of ALE coverage



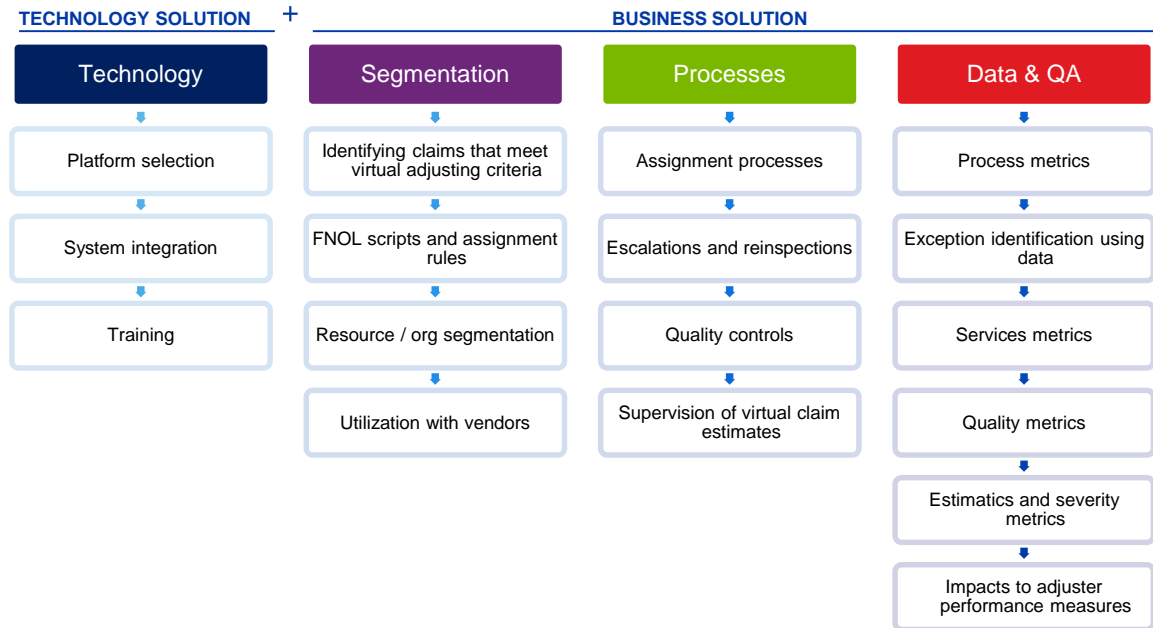
## Cat claims in a Covid world – compounding effects of operational complications

Historically there has been a measurable deterioration on all claims during periods involving cat events. This compounding effect of multiple operational complications tends to result in increased claims leakage



# The combined challenges of Covid-19 and catastrophe season present not just an opportunity for, but a need for virtual adjusting

Enabling virtual adjusting is more than implementing a solution. Operational processes and data models need to be aligned for the technology to service the business need



## Key takeaways as we approach the 2020 Florida hurricane season

---

### **We will be tested**

*Our industry's financial and operational vulnerabilities may be tested like never before, and our responsibility to policyholders will never be greater*

### **We are prepared**

*Our industry's ability to provide stability to insureds represents the very purpose of our existence. This is what our industry is built for, and we are ready to meet these challenges*

### **This is an opportunity**

*We always get better when we have to, not just when we want to. In fact, we typically innovate better in the presence of challenges than during normal business conditions*

### **We will emerge stronger**

*If we utilize this challenge as an opportunity to improve what we do we will finish this phase far stronger than we entered it*

# Speaker: Quin Netzel



**Quin Netzel**

Managing Director – North America,  
Claim Central

E-Mail: [qnetzel@claimcentralusa.com](mailto:qnetzel@claimcentralusa.com)

Quin Netzel is an industry veteran with more than 28 years' experience in the insurance space, and has held leadership roles at numerous insurers, service providers, and consulting firms throughout his career. He is currently Managing Director for Claim Central where he oversees the Company's claims technology platform and related claims management services in North America. Quin has extensive experience in managing catastrophe claim operations, having served as Claims Officer for Louisiana Citizens, Chief Operating Officer for Florida Citizens, Claims Officer for RenaissanceRe, and National Catastrophe Manager for State Farm. Quin is an attorney and CLM Fellow.

# THE PERFECT STORM IS BREWING

*"The top infectious disease expert in the country said he predicts there will be another coronavirus outbreak in the fall..."*

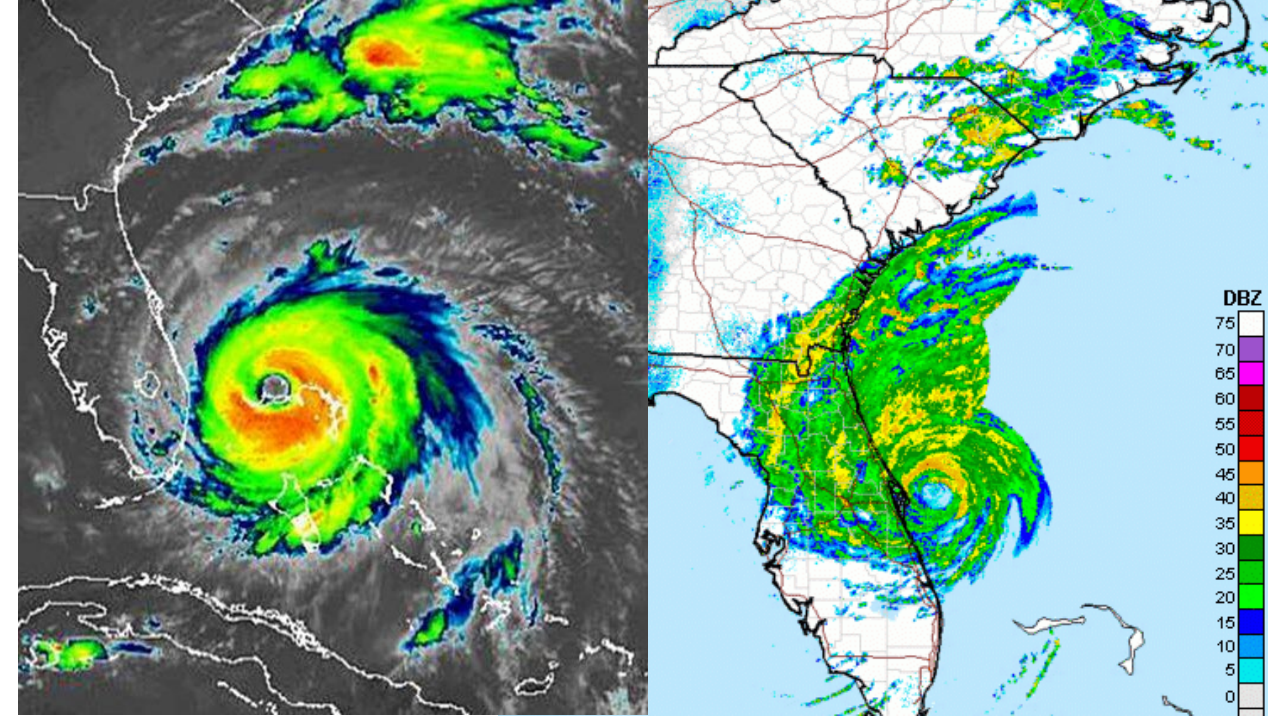
- The Hill

*"4 major hurricanes predicted in 2020 as part of above-average Atlantic season"*

- Colorado State University

*"Even a moderately active 2020 hurricane season could be extremely problematic ...one or more significant catastrophe losses, could result in considerable strain on an industry attempting to adapt to an already difficult environment."*

- PCS



# HOW GOVERNMENTS RESPOND

*“Insurers may need to augment available claim or customer service resources”*

- Hurricane Matthew response

*“The office expects all insurers and regulated entities to implement process.....using the latest technological advances to provide prompt and efficient claims service to policyholders.”*

- Hurricane Irma Emergency Order September 13, 2017





# THE CAT CLAIM RESPONSE MODEL HAS CHANGED

## In the Field *New / Expanded Functions*

- ✓ Virtual Insurance Villages
- ✓ Enhanced Safety For Field Adjusters
- ✓ Emergency Service Inflation
- ✓ Temp Housing Shortage
- ✓ Increased Costs and Time for Contractors

## In the Office *New / Expanded Functions*

			
Triage and Dispatch	Virtual inspections	Desk estimate writing	QA/file review
New Protocols	New Skills/Training required		New Standards

# HOW VIRTUAL ASSESSMENTS WORK

Inside CAT  
team



Connects  
live with...



Policyholder  
Field Adjuster  
Contractor



Capture...

- ◆ Live video, photos, measurements, and execute documents.
- ◆ Damages related to event.



Determine...

- ◆ If any emergency works are required
- ◆ If other technology is required such as aerial imagery, roof measurements and drone footage
- ◆ If a field inspection necessary
- ◆ If a claim estimate be created

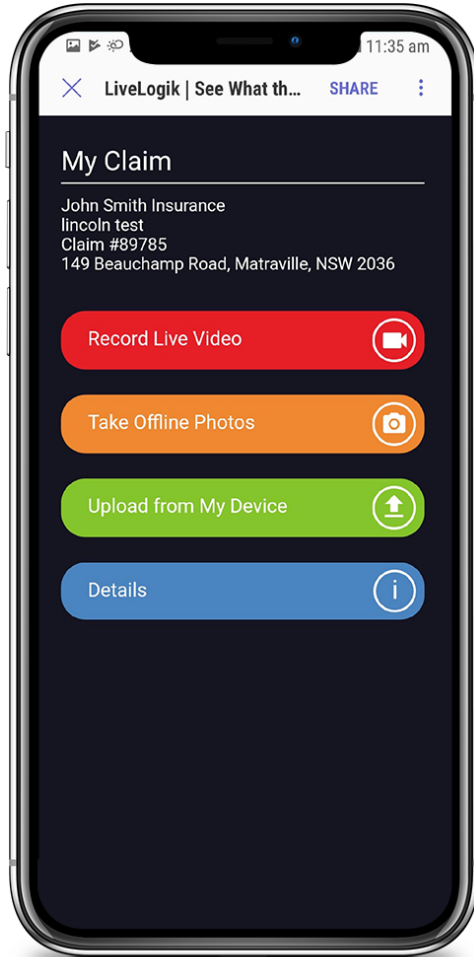


Complete...

- ◆ Desktop Estimate Remotely



# ITS EASY FOR THE CUSTOMER



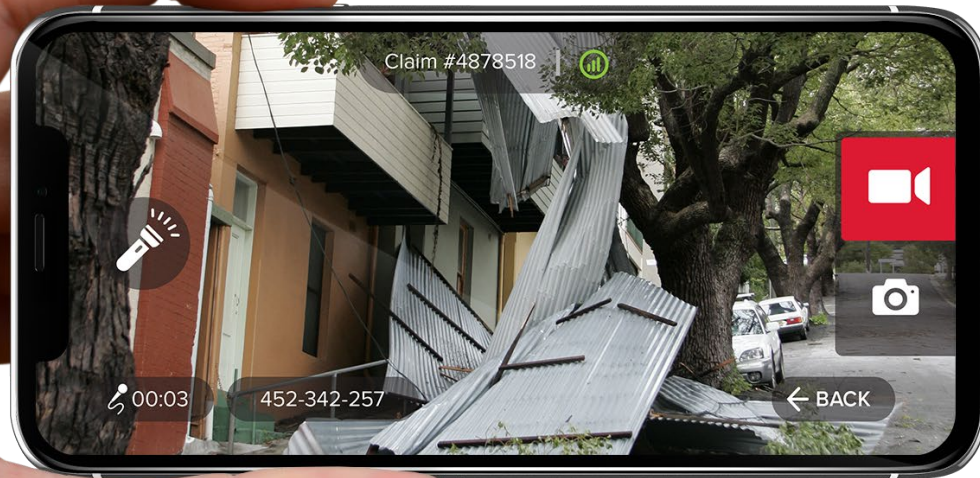
Average customer  
satisfaction score

- One click collaboration, no downloads required
- Customizable engagement scripts, SMS messages and emails
- Record live video, audio, pictures, measurements, and document e-sign
- Offline option with onscreen guidance
- Complete loss documentation

# BENEFITS OF VIRTUAL INSPECTIONS

With Virtual Assessments you have access to...

- Scalable, high volume capacity
- Geographically distributed pools of assessors/inspectors
- Fixed costs with limited “surge” - cost reductions up to 67% over the field
- Reduced cycle time by 5 to 7 days



# Speaker: Chaz T. Mello



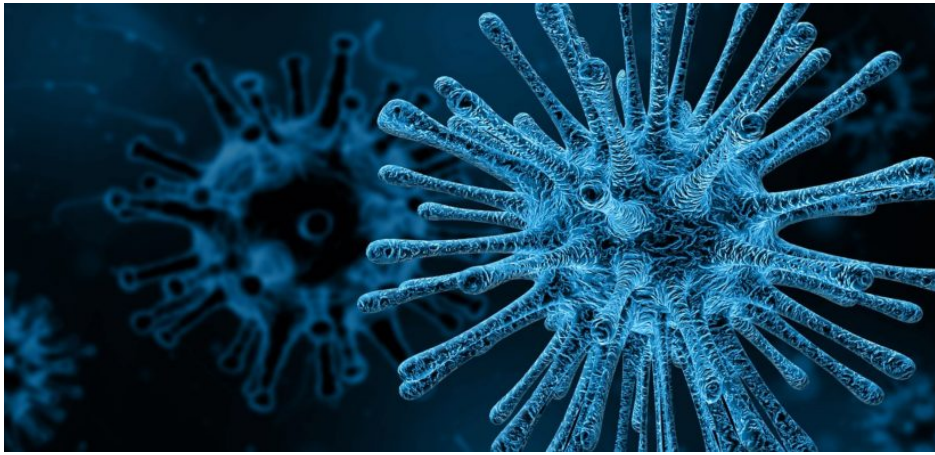
Chaz Mello

Senior Vice President, J.S. Held

E-Mail: [cmello@jsheld.com](mailto:cmello@jsheld.com)

Chaz Mello is a professional mitigation, construction and reconstruction consultant. He has been with J.S. Held since 2008 and is responsible for consulting on large losses both nationally and internationally. Chaz has a strong background in construction and excavation. Prior to joining J.S. Held, he was employed by an excavation/site development contractor and has expertise and experience in pre-project surveying and site operations. Chaz was responsible for developing bid proposals as well as overseeing and participating in the completion of many large-scale projects. Chaz's detail oriented approach to synthesizing complex loss issues adds values for client's deliverables.

# The On-going Effect of COVID-19 on Claim Communications



[This Photo](#) by Unknown Author is licensed under [CC BY-ND](#)

**Presented by:**

**Chaz Mello** Senior Vice President



# Types of Technology J.S. Held Is Utilizing to Improve Communication on Claims

- **360 Virtual Inspection Tool**
  - Utilizes 360 Cameras to place 360 imagery amongst a floorplan or field sketch
- **Matterport**
  - Utilizes Pro2 or 360 Cameras to create a 3D walkthrough

# Differences Between 360 Virtual Inspections & Matterport

Capabilities	360 Virtual Inspection	Matterport
3D Walkthrough	✓	✓
2D Images	Can insert in report	Can insert or create
Dimensional Data		✓
Unlimited Square Footage	✓	*10,000 SF or less
Time Lapse (in 1 Report)	✓	
Pace	Rapid Pace	~2,500 SF per Hour
Share Report via Link	✓	✓

\*This is the approximate SF capable for 1 Space w/ Matterport, if additional SF is needed to be scanned, multiple Spaces can be stitched together by Matterport.

THANK YOU

## QUESTIONS?

Wes Strickland, [wstrickland@colodnyfass.com](mailto:wstrickland@colodnyfass.com) | 850-321-3475

Mike Williams, [michael.a.williams4@aon.com](mailto:michael.a.williams4@aon.com) | 850-377-9310

Quin Netzel, [qnetzel@claimcentralusa.com](mailto:qnetzel@claimcentralusa.com) | 904-568-1489

Chaz Mello, [cmello@jsheld.com](mailto:cmello@jsheld.com) | 773-634-5366

For a recording of this presentation as well as the slides, visit

**[ColodnyFass.com/Webinars](https://ColodnyFass.com/Webinars)** on Monday.



**COLODNY  
FASS**