

**EXPERT INSIGHTS**

*Progressive Ideas in Business*

**Small Business Resource**

## Tailoring the Program to the Risk: Workers Comp Solutions for the Small- to Mid-Sized Market

Small- to mid-sized businesses are unique, and so is their business risk. When it comes to workers comp, structuring the program to the risk is essential, and agents, brokers and risk managers are not limited in the variety of carriers and workers comp programs that are available when seeking flexible solutions to protect their most important asset – their employees. However, settling for “cookie cutter” workers comp programs can cost small- to mid-market businesses time and money; exploring and understanding your options makes good business sense. Begin by taking a closer look at your current workers comp program.

Does the carrier offer other options that are more reflective of your unique business risk, or does it take a rigid (and potentially costly) approach to the workers comp programs it offers? Businesses may be best served by options including risk transfer, risk assumption, or a combination of both, yet not all carriers have the ability to tailor workers comp solutions to their actual risk. Workers comp programs that are not customized to fit specific business requirements can cost small- to middle-market businesses money and time. If the program doesn't match the actual risk, they may pay higher than necessary premiums. And if the risk control and

claims management process is inefficient or unfocused, it will be difficult to reduce the likelihood of loss and mitigate it after it occurs.

The best workers comp solutions are offered by carriers who understand the dynamics of small-to mid-market risks, and have the financial strength, underwriting and claims management expertise to appropriately structure the program. To succeed, small- to middle-market businesses must seize opportunities when they arise, and the best workers comp carriers understand the importance of providing qualified and professional answers you need. Don't let the disparity gap between available levels of experience and results in the workers comp marketplace impact your bottom line or delay employee recovery rates. If your carrier can't tailor a workers comp program to your actual business risk, it may be time to find one that can.



Henry O. Schramm II is Senior Vice President, Workers Compensation for ACE Casualty Risk, a division of ACE USA. With more than 31 years of diverse experience in the insurance arena, Mr. Schramm joined ACE USA in October 2006. For more information about ACE Casualty Risk and its range of products and services, please visit [www.ace-ina.com](http://www.ace-ina.com) To review additional features and check submission requirements, please visit [www.acecomplete.com](http://www.acecomplete.com).



## What Businesses Need to Know About Minimizing Environmental Exposures

The threat of environmental liabilities to the operations of U.S.-based businesses both large and small, are occurring more frequently, and in more locations worldwide. Environmental liabilities can affect a wide variety of industries and employers, such as contractors, consultants, banks, gas stations, and any organization that operates a storefront, to name a few.

Environmental risks can come in many forms, and can often mirror the complexity of the operation or business. For example, if you are a general contractor or you operate under-

ground or above ground storage tanks, you should ensure that you address all gaps in your insurance coverage, including pollution coverage. In many cases the general liability or property policies will not include any coverage for pollution liability or remediation costs. Or, if you operate a storefront in just one or a multitude of locations, you may face inherent environmental exposures due to past or nearby operations, even though you may have fairly benign operations.

The best risk management approach is to anticipate the likelihood of your exposure to

environmental threats, and to take proactive measures designed to lessen their likelihood and minimize their impact. Savvy companies that take prudent action to address these exposures should look for a carrier that can provide innovative environmental risk management products, and who has access to highly-specialized engineering risk management professionals. Pollution liabilities are no longer the impossible risk management problems they once were. It's important that organizations of any size understand what environmental risks they face, and be prepared to take proactive measures to reduce such risks and to protect the bottom line.



Bill Hazelton is Senior Vice President, ACE Environmental Risk. With more than 16 years of underwriting and claims experience in the environmental insurance market, Mr. Hazelton joined ACE USA in August 2005. ACE Environmental Risk, a division of ACE USA, offers a full range of environmental liability solutions designed to minimize bottom line impacts and provide hands-on management for those liabilities. For more information about ACE Environmental Risk, please visit [www.aceenvironmentalrisk.com](http://www.aceenvironmentalrisk.com)

