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16 Bromley Road,
New Beckenham
Beckenham, BR3 5JE

Editorial

Editor
Becky Bellamy
beckybutcher@blackknightmedialtd.com
Tel: +44 (0)208 075 0927

Reporter
Maria Ward-Brennan
mariawardbrennan@blackknightmedialtd.com
Tel: +44 (0)208 075 0923

Marketing and sales

Associate Publisher/Designer
John Savage
johnsavage@captiveinsurancetimes.com
Tel: +44 (0)208 075 0932

Publisher
Justin Lawson
justinlawson@captiveinsurancetimes.com

Office Manager
Chelsea Bowles
Tel: +44 (0)208 075 0930

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Cover Image

Dominic Wheatley
Chief Executive
Guernsey Finance


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Like its translucent waters The Bahamas is the Clear Choice for captive insurance.
Located just off the coast of Florida, The Bahamas captures everything that captive owners are looking for --- expertise that nurtures innovation to meet market needs and an idyllic environment to meet, live and do business.

In this issue

Davies Group launches new consulting business

Davies Group has launched a new compliance and regulatory consulting business in Bermuda.

The new business, Davies Consulting, will specialise in providing insurance operations and consultancy solutions for insurance intermediaries and (re)insurers with operations in Bermuda, the UK and globally. The Bermuda operation will add to Davies' operations in the UK and its team of professionals in the Lloyd's, London and International insurance markets.

Davies delivers both advisory and operations support for businesses wishing to enter the UK insurance intermediary regulatory environment. Alongside its insurance services business, Davies offers its clients a broad range of distribution, technical, consulting and technology solutions to help power their success.

Steven Crabb, insurance services CEO, commented: "We are delighted to announce the launch of Davies Consulting which will extend the value proposition of our compliance consultancy and outsourced services to insurance intermediaries, (re) insurers and their Bermuda operations."

He continued: "We are seeing an increasing demand from our clients for compliance expertise to help them navigate changing regulatory environments in the UK, Bermuda and the US. Davies has a well-established presence in Bermuda in leading captive management provider Quest headed by Nick Frost."

He added: "Deepening and broadening our capability is an essential part of our strategy to remain both relevant and valuable to our clients, and we look forward to being able to offer a deeper range of consulting solutions to our clients across our wider business." ■

'Strong' ratings for Transmonde captive

A.M. Best has affirmed the financial strength rating of A (Excellent) and the long-term issuer credit rating of "a" of Transmonde Services Insurance Company, based in Hamilton, Bermuda.

The outlook of these credit ratings remains stable.

As a single-parent captive, Transmonde writes a portfolio of professional, general and pollution liability risks for the insurance needs of SGS. SGS is a group specialising in inspections, verification, testing and certification across several industries worldwide.

A.M. Best categories Transmonde's balance sheet strength as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management.

As of year-end 2018, Transmonde's risk-adjusted capitalisation, as measured by Best's capital adequacy ratio, was categorised as strongest.

The balance sheet strength also benefits from low underwriting leverage and good financial flexibility, which stems from the company's affiliation to SGS SA, a publicly traded Swiss company.

A.M. Best explained the partially offsetting rating factors include the investment concentration in a single parental loan and the high dividend payments made to the parent over recent years.

Transmonde has a track record of strong operating performance, underpinned by excellent underwriting earnings and a stable level of interest income.

A.M. Best suggested that this is due to the lean operating model and robust loss controls in place, the company has maintained a very low expense ratio and loss ratio throughout the years. ■

DARAG Guernsey acquires Thames Water captive

DARAG Guernsey has acquired the Guernsey-based captive (re)insurer Thames Water Insurance Company (TWIC) from its parent Kemble Water Finance.

The share purchase agreement was signed and completed on 16 October 2019 in cooperation with the broker Willis Towers Watson, who will continue to act as captive manager in the future.

The captive will be renamed DARAG Insurance (Guernsey) and will serve as a consolidator for certain future DARAG non-European Economic Area (EEA) legacy deals, including captive acquisitions and other legacy reinsurance contracts.

TWIC, the captive (re)insurer for Thames Water and subsidiary companies, was placed into run-off in 2005, providing coverage for burst pipes, public liability, employers' liability, personal accident, property damage and business interruption and professional indemnity.

Tom Booth, CEO, DARAG, said: "DARAG and SOBC DARAG have developed an expansive international platform over the past year, with the ability to seamlessly conduct business across continental Europe and the UK under DARAG Group in Malta, and more latterly Bermuda and the US under SOBC DARAG."

He continued: "DARAG Insurance (Guernsey) will provide a further option for the acquisition of legacy captive and LPT business outside of the EEA. We are an established provider of legacy solutions for captive (re)insurers and are looking to grow our imprint in the sector."

He added: "This transaction provides Kemble Water with legal and economic finality for its liabilities assumed through the Thames Water captive."

"With a strong pipeline of deals for the next few months, I'm very pleased to announce this acquisition and look forward to concluding more in the future. ■

Price Forbes opens new US healthcare practice

Price Forbes launched a US healthcare practice, headed up by market veterans Paul Voller and David Fairbank.

The practice will be based out of London and will predominantly focus on the US healthcare sector arranging insurance, captive reinsurance and treaty protection for clients, complemented by placements for cyber protection.

Voller will be managing director and lead the practice with Fairbank as executive director.

The move marks a substantial expansion of Price Forbes' healthcare practice. Non-US international healthcare will continue to be headed up by Tomer Karni, executive director.

Voller has 45 years' market experience and most recently served as chairman of Healthcare Risk Partners, part of JLT Group.

Fairbank, who has worked with Voller for the last 25 years, also has over 40 years' market experience and was previously a senior partner at Healthcare Risk Partners and Lloyd & Partners.

Voller commented: "The healthcare liability market is an increasingly challenging environment for clients to navigate their way through following years of competitive rates set against a backdrop of notable losses in the medical malpractice arena."

He continued: "We are now entering a phase of hardening rates, scrutiny on retentions and coverage and capacity being managed. Price Forbes' leading profile in the independent sector represents an ideal choice for us and for clients."

> **"Our goal is to continue to offer expanded services in the specialty sector and so I am delighted to welcome this new team."**

James Masterton, CEO of Price Forbes, said: "Our goal is to continue to offer expanded services in the Specialty sector and so I am delighted to welcome this new team. Their vast experience and extensive contacts across this increasingly challenging sector will quickly help our clients." ■

University of Vermont Health Network captive moves to Vermont

The University of Vermont Health Network has completed the process of relocating its captive insurance company from Bermuda to Vermont.

The University of Vermont Medical (UVM) Centre indemnity company board of directors voted unanimously in 2017 to relocate the health network subsidiary that provides medical malpractice insurance coverage for its medical providers. The network's captive insurance company was first created and domiciled in Bermuda in 1993.

John Brumsted, president and CEO of the UVM Health Network and a VMCIC board member said: "Our analysis showed that relocating to Vermont had become less expensive than previously anticipated and an attractive option—one that we are happy to embrace".

He added: "We are pleased to be able to do business locally and be a part of Vermont's world-class captive insurance industry."

Vermont governor Phil Scott said: "It's great to see the UVM Health Network take this step, and to count them among the growing list of the academic medical centre and healthcare captive organisations located in Vermont."

The governor continued: "Vermont's financial regulatory team and deep bench of captive professionals are recognised as among the most experienced and knowledgeable in the world, and this move by UVMHN further validates the state's leadership in this industry." ■

> "It's great to see the UVM Health Network take this step, and to count them among the growing list of the academic medical centre and healthcare captive organisations located in Vermont"

Phil Scott
Vermont governor

BGD merges with Dentons for better client access

Bingham Greenebaum Doll (BGD) is combining with Dentons to meet needs for cross-jurisdictional work, both within the US and around the world.

The merger allows BGD to eliminate the time and risk involved in sourcing talent by collaborating with their Dentons partners around the world.

Charles Lavelle, partner, BGD, said: "Bingham Greenebaum Doll is thrilled to be combining with Dentons, the largest law firm in the world, with over 10,000 lawyers."

"I'm looking forward to working with the exceptional Dentons Regulatory Insurance Group, who can provide additional services to our clients, and lend my captive insurance experience to Dentons existing clients."

He added: "This combination is an incredible opportunity to provide the highest level of service through the most sophisticated platform in the world."

Jeff McKenzie, partnership board chair of BGD, said: "The combination will allow us to connect our clients to the very best talent across the country and around the world."

As part of the merger, BGD clients will still continue to benefit from Midwest cost structures.

According to BGD, when clients need work done in New York, Paris, Shanghai or elsewhere, the combined firm can perform that work at a price point that's competitive for the market and practice area.

This reduces the number of firms and contract attorneys that clients must manage and streamlines legal services through Dentons.

Keith Bice, BGD board member, said: "We are excited about utilising an unparalleled platform to provide the highest level of service to our clients through expanded depth, breadth and reach."

He added: "This combination gives us the ability to satisfy virtually any legal need our clients have throughout our region, the US and the world regardless of the type of deal or dispute or the geography involved." ■

'Strong' ratings for Marubeni Group captive

A.M. Best has affirmed the financial strength rating of A- (Excellent) and the long-term issuer credit rating of "a-" of Marble Reinsurance Corporation, based in the Federated States of Micronesia, and the single-parent captive of Marubeni Group.

The rating company categorises Marble Re's balance sheet strength as strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management (ERM).

Marble Re's balance sheet assessment is underpinned by risk-adjusted capitalisation at the strongest level, as measured by Best's capital adequacy ratio (BCAR).

The captive's risk-adjusted capitalisation is expected to remain stable, supported by low underwriting leverage and a conservative investment portfolio, according to A.M. Best.

A.M. Best explained that Marble Re's favourable operating results are demonstrated by a five-year average return on equity of approximately 15 percent, driven primarily by its good underwriting results, with a five-year average from 2014 to 2018, which combined ratio of under 60 percent.

Marble Re's underwriting portfolio is composed mainly of marine cargo and hull business from affiliated and related companies within the Marubeni Group. The captive plays a significant role in managing the group's risk exposures.

The rating firm said the captive benefits from the parent company's overall ERM practices.

The stable outlooks reflect A.M. Best's expectation that Marble Re's operating performance will remain at a strong level, underpinned mainly by favourable claims experience and an expense ratio that should remain stable over time. ■

Reinsurance Collateral Trusts

The limitations and costs associated with traditional collateral options such as Letters of Credit have dramatically fueled the growth of alternative risk transfer strategies amongst insurers, reinsurers, captives and corporations. Fluid regulatory, financial and risk management environments demand lower-cost collateral solutions – solutions that afford maximum flexibility with minimal effort to set-up and maintain.

It's a need that has given tremendous traction to the insurance-linked securities (ILS) market and in particular the emergence of reinsurance collateral trusts.

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- **Operational Efficiencies** – from pre-arranged agreements with major insurance carriers to streamlined onboarding and KYC processes, our knowledge of the reinsurance trust business helps ensure that things are done right and done fast.

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Donny Tong
SVP, Business Development
212.590.0976
donny.tong@suntrust.com

Joseph Monaco
VP, Client Management
212.303.1746
joseph.monaco@suntrust.com

Barbara Aubry
SVP, Business Development
212.303.4164
barbara.aubry@suntrust.com

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‘Excellent’ ratings for Barbados-based captive reinsurer

A.M. Best has affirmed the financial strength rating of A- (Excellent) and the long-term issuer credit rating of “a-” of Ocean International Reinsurance Company (Ocean Re), domiciled in Barbados. The outlook of these credit ratings (ratings) remains stable.

A.M. Best categorises Ocean Re’s balance sheet strength as strongest, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management.

The stable outlook and rating affirmations reflect the consistently positive bottom-line results the company has been able to generate through its underwriting while still protecting its capital base. Partially offsetting these positive rating factors is the susceptibility of its captive business to regulatory changes.

Ocean Re focuses on reinsurance and offers a diversified product mix throughout Latin America and other strategically identified geographic markets.

It also offers facultative programmes that are fully funded to the projected ultimate losses of the company’s clients.

According to A.M. Best, Ocean Re’s business development strategy increases the proportion of traditional reinsurance in its portfolio, as compared with its captive portfolio; however, regulatory changes remain a factor when evaluating the continuity of its fully funded programmes, as legislative adjustments could potentially limit its premium growth.

It added that the company’s risk-adjusted capitalisation remains strong and has benefited from its adequate operating performance, which, along with conservative dividend policy, continues to strengthen A.M. Best’s future view of the company’s development of capitalisation and overall financial strength.

A.M. Best said: “Ocean Re’s operating performance this year has resulted in consistent positive net income, due to good levels of premium sufficiency derived from the nature of its captive business, as well as from an adequate retrocession programme for its expanding traditional reinsurance lines.”

“Underwriting performance continues to drive the company’s strategy, either through a larger risk-taking or through improved underwriting standards for new captive business.” ■

‘Labuan IBFC sees gross written premiums increase

The Labuan International Business and Financial Centre (Labuan IBFC) has seen six captive formations as of mid-2019, the same number for the entire of last year.

Labuan IBFC said that the six captive formations have led to a 12.8 percent increase to $288 million in gross written premiums in June 2019, compared with $255 million in the same period last year.

Farah Jaafar-Crossby, CEO of Labuan IBFC, said: “We are grateful to all our Labuan captives’ owners and service providers, both of which are key elements of our thriving ecosystem.”

Jaafar-Crossby explained that a specialist area of insurance like captives can only thrive with a strong and deep ecosystem to support it.

Labuan IBFC is an “ideal location” for captive formations, as it’s one of Asia’s fastest-growing reinsurance hubs, according to Jaafar-Crossby.

She added: “Support from the banking and corporate secretarial service providers add to the benefits of setting up in the domicile.”

Labuan IBFC’s insurance sector registered strong growth last year with total gross written premiums posting a significant increase to $1.7 billion, rising 19.1 percent from the previous year, of which foreign insurance business accounted for 64.7 percent of the total premiums underwritten. ■

A renewed interest

With the recent pick up in captive interest driving activity across the sector, Dominic Wheatley discusses what Guernsey Finance is currently working on

What is currently happening in Guernsey's captive insurance market?

Guernsey is currently seeing significant levels of renewed interest as the market is hardening in the commercial insurance markets and that started with catastrophe level reinsurance with rates increasing. This is unsurprising because 2017 was a really bad year for catastrophic losses, followed by 2018 and this year we have also had a couple of hurricanes—so firms are starting to adjust models and rates are starting to harden. These factors all affect the whole market and once you start to see these in the commercial market you will see these feed through to other lines of business, particularly around the big risks. From this, Guernsey has started to see an uptick in new inquiries and we are already seeing some formations off the back of that.

Behind the scenes, there is still increasing interest in lines of business that have been gathering pace as captive lines, such as employee benefits insurances, cyber risk, and other types of emerging risks. There is definitely increasing interest towards using captives more.

With captive interest picking up, what is Guernsey Finance working on in the captive space?

The recent pick up in captive interest is certainly driving activity across the sector and Guernsey Finance is providing support to our industry. As a jurisdiction, we are looking at how captive usage is changing in response to current trends and how Guernsey can address the changing demands of captive users. One interesting development we are seeing is growing interest in captives among private company owners and high net worth families, which brings together Guernsey's expertise in wealth management and our pre-eminence in international and strategic captives.

Our promotional work focuses on making sure that the market understands our unique combination of reputational features as an offshore insurance centre. Our corporation tax regime is endorsed by both the Organisation for Economic Co-operation and Development (OECD) and the EU as fully compliant with international standards in fair tax competition and economic substance. The EU anti-money laundering (AML) inspectorate, Moneyval, has assessed our levels of compliance with the Financial Action Task Force (FATF)'s AML principles as being number one in the world. And the International Association of Insurance Supervisors

found us to be fully compliant with their global standards of insurance regulation. No other captive jurisdiction offers this combination internationally endorsed standards of business conduct.

We also emphasise our close links with London, the centre of global insurance, and our community of over 1,000 professionals delivering expert advice and excellence of service to our international clients. We are the best at international captive insurance for compelling reasons.

How is the European regulatory environment for captive insurance affecting Guernsey?

The EU's Solvency II environment is not conducive to captive insurers, focusing as it does on systemic risk and policyholder protection,

Dominic Wheatley
Chief executive
Guernsey Finance

> We also emphasise our close links with London, the centre of global insurance, and our community of over 1,000 professionals delivering expert advice and excellence of service to our international clients

neither of which are key risks in a captive insurance context. We are seeing significant levels of interest in relocating captive operations from EU captive centres to Guernsey. I would expect this trend to continue as Brexit progresses.

Over the last few years, Guernsey Finance has worked closely with the Asian market, in terms of captive insurance education. How is this progressing?

We now have three Chinese-owned captives and a significant number of prospects from China, Hong Kong and, indeed, elsewhere in South East Asia. Just a couple of weeks ago we ran a captive masterclass event in Shanghai with more than 80 attendees, so interest is strong and growing.

What is Guernsey working on right now in the insurance-linked securities (ILS) market? What trends are you seeing?

The most significant step we have taken for the development of the sector in Guernsey is the rollover concept, where, subject to certain positions and regulatory approval, the annual renewals process can be rolled over, and there is a 30-day period within which an ILS manager can have theoretically two exposures, funded by one set of capital.

However, the reality is that you do not have two exposures because one of them is off risk and one is on risk, the date on which you transfer capital is not always the same as the date at which the liability switches.

This is an administrative issue, and the regulator recognises that.

The Guernsey Financial Services Commission (GFSC) has, therefore, put in place a specific regime that, providing certain criteria are met, they will allow up to 30 days to transfer capital.

That has been quite an advancement to the industry and is making life a lot easier for the ILS industry in Guernsey. Increasingly it is being recognised worldwide as a significant innovation, making ILS more effective and efficient.

Secondly, Guernsey has taken advantage of the fact that the island is not only an insurance centre but also a major funds centre, particularly in alternative assets.

Over the past year, we have brought these two capabilities together and designed a single structure that can be licensed for both insurance and investment. This promises significant savings in terms of both cost and process and is attracting considerable interest.

It has only come in this year but we are hoping to see the first businesses coming in for the end of year renewal season.

How do you see the ILS market changing in the next 12 months?

To some extent, the market got "lucky" with Hurricane Dorian, which at the last minute missed most of America, as another major loss could have had some impact on investors, particularly following 2017 and 2018.

We would like to see the emergence of a reasonably stable model that allows investors to have greater levels of confidence in the type of risk profile that they're investing in.

The two back-to-back difficult years that we have had have just undermined a little bit of the confidence people have in the existing catastrophe models.

On the technical side, our industry is very pleased with the developments we have made in the past year, and are still focused on promoting those.

Obviously there will be further developments in due course—Guernsey is well known for its enthusiasm for innovation in this market. ■

Beating pulse of a captive

As the rising costs of healthcare in the US continue an increasing number of firms are turning to captives as an alternative solution

Healthcare has been a hot topic in the US for a long time now with the costs of medical expenditures in the country continuing to dramatically rise.

Although it would seem that Americans are left with no other option but to have medical insurance, according to the US census bureau in 2018, 8.5 percent of people (27.5 million) did not take out a health insurance policy at any point during that year. One of the reasons behind the lack of insurance policies was due to insurance costs being extremely high, compared to the nation's average wage growth which is lagging.

Certain public options are available such as Medicaid and Medicare but private insurance still dominates in the US. The lack of affordable healthcare means American's look to their place of work for healthcare coverage.

As healthcare and insurance costs continue to rise, a national debate has erupted within the US surrounding this issue. During his time as president, Barack Obama passed the Affordable Care Act (ACA), also known as Obamacare, that made Medicare much more accessible to people who struggled to afford insurance. As a result, the debate has now moved onto the idea of universal healthcare for the US with France, the UK and Canada being held up as examples.

A Reuters-Ipsos poll released in August found that 70 percent of Americans supported Medicare for all.

However, with 20-odd Democrats running for the party's nomination for the 2020 presidential race, a major distinction of each candidate—who generally share the same values—is their healthcare policy. Front-runners Elizabeth Warren and Bernie Sanders are advocating Medicare-for-all, a policy that would eliminate all private health insurances and create a healthcare system entirely run by the government, while top-tier candidate, Pete Buttigieg is running with a Medicare-for-all-who-want-it platform, much like the

UK's model which has the National Health Service offering universal healthcare but also allows the private insurance sector to exist for those who can afford it.

Even though it's generally agreed that the healthcare system needs to be changed, the question is how. And like the ACA, these policies could take some time—if they pass—to be implemented into law and rolled out across the nation. So what can be done in the meantime to help Americans with obtaining affordable healthcare plans?

Accessing medical insurance through your place of work is the second most common form in the US. Employee healthcare is also the second-largest expense that a company has, after employee salaries. Companies are turning to self-funding in order to provide these employee benefits—and this is where captive insurance comes into the picture. Health insurance captives provide companies with the opportunity to reduce costs, receive returns of underwriting profits and enjoy the benefits of being self-insured without as much risk.

Under the microscope

Employers want the ability to budget medical costs the way they manage other expenses within the company. With change being the only common denominator in the health insurance environment, captives provide a better strategy for employers to take control of their healthcare costs.

Michael Schroeder, president of Roundstone, says: "A primary advantage to self-funding is that it allows the employer to pay only for the claims incurred up to a pre-determined amount."

He adds: "Another benefit is transparency into the actual claims to help identify possible cost containment strategies."

"Many of these employers would otherwise be too small to self-insure their employee health care benefits. Self-insuring is widely recognised as the most efficient funding method available for health care benefits," he says.

In addition, companies participating in a captive programme have the opportunity to benefit from the underwriting profits.

Medical costs are too high to make completely self-funded plans a good option for many employers. To minimise risk, many employers choose a partially self-funded health plan which involves adding a reinsurer or stop-loss carrier.

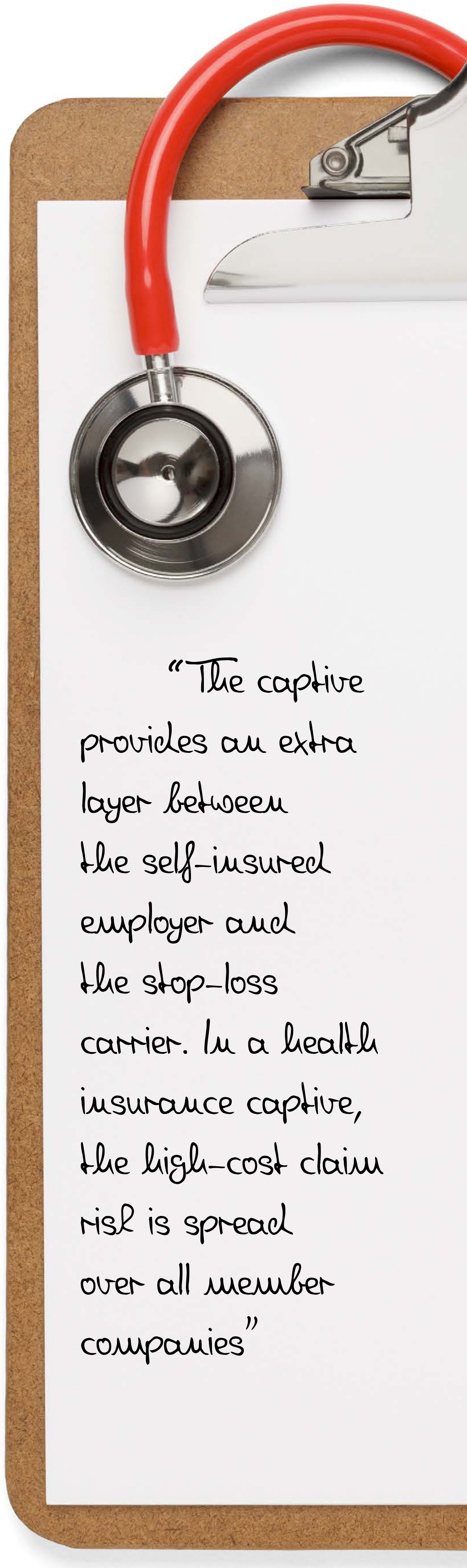
The captive provides an extra layer between the self-insured employer and the stop-loss carrier. In a health insurance captive, the high-cost claim risk is spread over all member companies.

Rich Scarborough, president and CEO of Renaissance Benefit Advisors, examining the solutions captives offer the US healthcare market, suggests they offer small businesses "the ability to become self-insured with their programmes which gives them complete financial control and to improve, not only the financial component of the programme but also the benefits programme".

He adds: "They can actually improve the benefits, lower deductibles, lower the copays for the employees, with low risk."

Although controlling healthcare costs has become a recent priority of corporate titans such as Amazon and Apple, little attention has been paid to a small but growing number of employers who have already succeeded in this area.

Scarborough noted that Blue Ox Enterprises, a client of Renaissance Benefit Advisors, recently reduced their employee healthcare costs by 25 percent in a year by using a self-funded captive programme.



As part of its captive programme, Blue Ox Enterprises provides 150 employees with healthcare cover.

According to the Institute of Medicine, 30 percent of US healthcare dollars are wasted, with most American's receiving healthcare benefits from their employers.

In a statement released by Health Compass Consulting, a company that aims to eradicate waste from the US healthcare system, it states that little attention had been paid to a small, but growing number of businesses that have succeeded in this challenge.

A spokesperson from Blue Ox Enterprises says: "Unlike many of our peers, we pay for 100 percent of employee (only) coverage, and these savings also allowed Blue Ox to offer a voluntary onsite mobile Wellness Initiative at no cost to employees. Almost all of our employees have used the onsite wellness benefit."

Health Compass Consulting explains that innovative companies have "already demonstrated their ability to break the straitjacket of American healthcare and cure much of what ails our American dream".

A lot of businesses are feeling trapped by the rising cost of their health care plan but need to offer affordable benefits to retain and attract talent. Schroeder says that by "opening the door for small and medium-sized employers, healthcare captives allow cost containment strategies to be deployed that will reduce the employee's cost year-over-year without disruption in their benefits. Any savings can be reinvested back into the business".

Schroeder adds "captives give the middle market the option to fund their employee benefits like a Fortune 500 company".

With this becoming a popular movement or at least one that is gaining momentum, Scarborough suggests "there's definitely more employers moving in these directions of these programmes because of cost savings".

"The fully insured marketplace continues to go up every single year, there's no relief in sight," he adds. "So employers are migrating to these captive programmes to continue to offer quality healthcare insurance."

A sustainable transplant?

The net result of employers actively engaging to optimise their healthcare spend is massive, these efforts are not just improving the physical and financial health of employees, they also provide employers with a competitive advantage in pursuing corporate goals.

Reflecting on the change over the past five years, Scarborough said: "With the group medical insurance, it's changed radically over the last five years, these programmes have really started to emerge and grow. Five years ago there were maybe two or three of these around in the entire US now they are starting to flourish."

He suggests that we're seeing this increase "because the market is really booming, it's growing rapidly".

Foreseeing the next five years, Schroeder believes that "more and more employers will be leaving the traditional fixed cost insurance market and self-insuring their employee benefit costs".

He continues: "The middle market will increasingly find the cost-saving strategies of captive programmes deliver year-over-year cost savings with little to no claim volatility."

Scarborough anticipates "tremendous growth in the captive arena".

He concludes: "We see all business in the next five years, probably doubling. It's definitely going to go up, it's not going to stop." ■

Prabal Lakhanpal
Management consultant
Spring Consulting

Personal Bio: I was born in New Delhi, India, where I spent the first 25 years of my life. I moved to Boston to pursue my MBA and have lived there ever since. Outside of work, I travel frequently and try to stay on top of the latest news in the financial services industry. While that may sound like work, I have always had an interest in the financial and economic markets, and making connections between major industry news and my everyday life.

More recently, I've found myself wanting to learn more about art, and I am trying to learn about the space in a structured manner. Admittedly, I am in the nascent stage of my learnings. I know I have only scratched the service, so I'm excited about further exploration.

Professional Bio: I completed my bachelor's degree in business and finance from the University of Delhi and then went on to pursue an accounting degree while interning and working at various certified public accountant firms. From there, I went on to work for a financial consulting firm, which helped me better understand business and operational strategies. It also helped me learn more about myself—I realised that I relish client-focused consulting roles. While this combined experience was not directly related to risk management, it formed the building blocks for my journey in the consulting arena and taught me to look beyond the numbers to develop sustainable solutions that meet client needs.

To build on this skill set, I decided to pursue an MBA, for which I came to Boston. Boston was my city of choice for it is a hub filled with financial services opportunities. After finishing my programme, fate played its part. As part of my outreach to Babson College alumni in an effort to build a network in Boston, I connected with Karin Landry, manager, partner of Spring Consulting Group. In a sense, the rest is history. I quickly became immersed in the benefits and captive consulting world.

How did you end up in the captive industry?

During and after my MBA, I was actively connecting with fellow alumni and connected with Karin as part of my outreach. Spring, at the time, was looking to bring in someone at an associate level role on the captive consulting side. Karin felt that my education and experience in finance and accounting, along with my work in the financial consulting space was a solid foundation for me to take on the captive space. It was the right time, right place sort of situation.

What has been your highlight in the captive industry so far?

There have been many thrilling moments during my time in this industry. A recent one that comes to mind is being selected by the industry as an emerging talent for professional services. It is always special to be recognised, but even more so when it is being done by industry peers and people you look up to professionally. It made all the long hours and hard work worth it!

What/who have been your influences in the captive industry?

Numerous individuals in the industry have had a lasting impact on me. Karin Landry at Spring has been a great mentor and teacher—helping me develop a path for myself in the industry. Dan Towle, the president of the Captive Insurance Companies Association, has been a phenomenal advocate for the industry and I strive to emulate his ability to bring together various stakeholders to make effective decisions. Jason Flaxbeard at Beecher Carlson is another person I admire for building lasting relationships with clients and colleagues and integrating his different networks.

What is your impression of the industry?

I find the industry to be exciting and dynamic. One where we have the opportunity to make a real impact both for organisations and individuals. Developing solutions for unique problems is challenging and engaging. One of the most important components of this industry is the people, who always make themselves available to help, and are open to creative ways of thinking and problem-solving.

What are your aspirations for your career in the captive industry?

I've learned that time and exposure are the best ways to get ahead in the captive industry, so I know that more experience will continue to bring me down a fulfilling path. I also am continuing my education by studying for an associate in Associate in Captive Insurance. Beyond that, I would like to take on more leadership roles within the field, such as speaking opportunities and workshop facilitation. I think one of the most exciting aspects of the captive industry is its ever-changing nature, and one of the biggest ways I can add further value for clients is to gain greater competence in tax and insurance law, so that I can be a better help to clients trying to navigate nuances of recent captive court cases. Lastly, since I have been lucky to have my own mentors in this space, I hope to serve as a mentor for someone just starting out with captives.

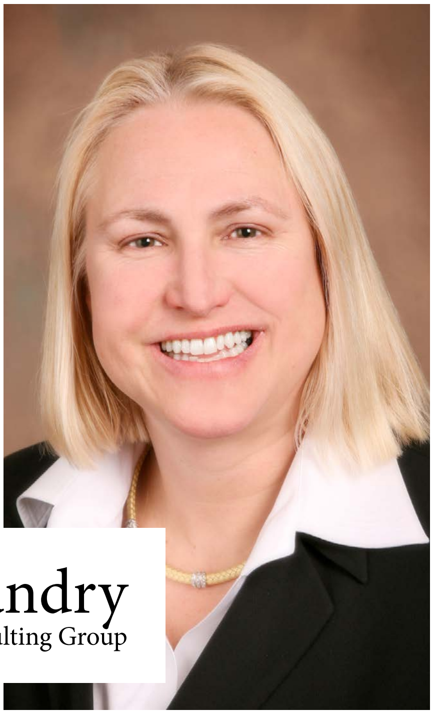
What advice do you have for someone considering a role in the industry?

The industry is ideal for someone who is intellectually curious. My advice would be to not be scared to ask questions because that's the only way to learn. Also, no one in the industry is an expert on everything; everyone's constantly learning. It is a relatively small industry and people remember their good and bad experiences, so leave a good impression. Ensure that you follow up and follow through on your commitments. People have to be able to trust you will deliver on your promises.

"Prabal has been a part of the Spring team for four years now, and I have seen him evolve and grow a great deal since I first met him. During that time he has gone from a consulting analyst to a consultant, to a senior consultant, and all of these moves have been well-deserved. Prabal is reliable and incredibly hard-working, but he is also innovative in his thinking.

He has quickly become an expert in the captive insurance and employee benefits spheres and is a trusted advisor to our clients.

He interfaces with large, multinational corporations daily about complex issues and does so in both a friendly and professional manner. He frequently sends regulatory or industry updates around the office, making sure we are all as informed as he. The bottom line is that our clients love working with Prabal, and we love having him on our team, from a cultural perspective and a business perspective."



Karin Landry
Managing partner, Spring Consulting Group

Industry Events 2019

Don't miss your copy of Captive Insurance Times

Insurance Innovators Summit London	FERMA Berlin, Germany	ICRMC Bermuda
November 13-14	November 17-20	December 04-06

For more information on the events listed visit captiveinsurancetimes.com

The latest moves in the captive industry

Jeremy Huish has joined Business Transition Advisors (BTA), the employment stock ownership plan division of Capstone Headwaters.

Capstone Headwaters is an independently owned investment banking firm with offices in the US, the UK, and Brazil.

Huish joins BTA after leaving his role as an executive and a niche leader for single-parent captives at Artex Risk Solutions in August.

Huish said: "I was very fortunate to spend 10 years working with top-notch professionals at one of the largest captive insurance management firms in the world. A large number of organisations that use captives are employee-owned companies or are considering becoming an employee-owned company. "

He added: "This position enables me to advise businesses that are approaching an ownership change, bringing with me my experience in handling risk management issues and captives." ■

Robert Murray has joined BDO as partner and head of actuarial within its financial services practice.

Based in the firm's Aldersgate Street office in London, Murray will focus on providing advisory and audit support services to insurance and reinsurance companies in the non-life insurance sector.

His work will involve capital modelling, reserving and advising on risk and regulatory matters.

Previously, Murray worked as partner at Lane Clark & Peacock.

Murray said: "I am excited to be joining BDO's strong actuarial team, and look forward to helping it grow and to develop new opportunities to further support our ambitious clients."

Paul Eagland, managing partner at BDO, commented: "Financial services businesses are facing increasing regulatory challenges and with Brexit on the horizon, they will require quality advice and support to ensure they continue to drive the UK economy. Our investment in our financial services practice will mean we can continue to help our clients in the sector succeed."

"Since we completed our merger with Moore Stephens LLP in February, our newly enlarged firm has gone from strength to strength. Robert Murray's appointment reflects our growing expertise in the insurance sector. His many years of actuarial experience will be a fantastic addition to the team." ■