

October 31, 2008

Check out new material on the SIR Research Page! – 2008 Volume 6

Welcome to Fall, SIR Members,

We hope you enjoyed the rest of your summer. Below are some recent reports we think you will find interesting. While we do our best to select reports that are current and will appeal to SIR Members, we know there may be valuable reports we are missing. Because of this, I would like to request your assistance. If you come across a report you find of interest, or if you have any feedback on whether these emails are helpful or how to improve them, please forward to Marcy Updike at mupdike@jhaweb.com.

We need your assistance to insure we are providing SIR Members with a valuable service. Thank you in advance for your assistance.

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For these periodic bulletins, the SIR Research Committee reviews both academic and operational research conducted by qualified sources for possible distribution to our Members. Once selected by the Committee, appropriate approvals and releases are secured from the authors, enabling our Members to achieve a level of comfort in further circulating these important pieces among their peers in the industry.

Go directly to these new reports and articles by clicking on their individual links below. To see the entire Research Page, [click here](#). You will have to enter your user name and password because the page is in the Members Only section of the SIR site. Your user name is your first and last name, all lower case, no space (firstlast). Your password, unless you have changed it, is your SIR Member number. If you have misplaced your Member number, [click here](#).

TERRORISM INSURANCE**Status of Efforts by Policyholders to Obtain Coverage**

Source: GAO, U.S. Government Accountability Office -- (September 15, 2008, 41 pages)

To assist Congress in their oversight of the insurance industry, the United States Government Accountability Office commissioned an audit in California, Georgia, Illinois, Massachusetts, New York, and Washington, D.C., from January 2008 to September 2008. This report shares results of the audit detailing: (1) whether the availability of terrorism insurance for commercial properties is constrained in any geographic markets and the effect of any constraints on pricing and coverage amounts; (2) factors limiting insurers' willingness to provide coverage; and (3) advantages and disadvantages of some public policy options to increase the availability of property terrorism insurance.

- See the [highlights](#) or the [full report](#).

WORKERS COMPENSATION INSURANCE INDUSTRY OVERVIEW:

Trends and Challenges Amid the Economic Storm

Source: Robert Hartwig, [Insurance Information Institute](#), New York, NY -- (August 20, 2008, 142 pages)

This report, presented at a meeting of the American Association of State Compensation Insurance Funds by Robert Hartwig, president of the Insurance Information Institute, discusses what a weakening economy, rising unemployment and the threat of inflation mean for workers comp insurers.

Sections review the economic factors affecting workers comp exposure; workers comp underwriting, operating and investment performance; premium growth drivers; frequency and severity trends for both medical and indemnity components of the line; and predictive modeling. A survey of workers compensation residual market performance is also provided. The presentation includes an overview of the overall property/casualty insurance sector, looking at performance cycles, profitability, underwriting and investment performance. A number of emerging risks are discussed, including the impact of an aging population and the country's obesity epidemic.

- See the [full report](#) in PPT or PDF format.

TRENDS AND CHALLENGES IN THE P/C INSURANCE INDUSTRY: Energy Markets at the Eye of the Economic Storm

Source: Robert Hartwig, [Insurance Information Institute](#), New York, NY -- (August 12, 2008, 117 pages)

This presentation by Robert Hartwig, president of the Insurance Information Institute, provides an overview of the property/casualty (P/C) insurance industry, with a specific focus on energy markets. Concerning the P/C industry in general, the presentation discusses profitability, underwriting trends, investments, premium growth, capacity and policyholders' surplus. The energy segment presents a review of the market, focusing on the implications of high energy prices, rising inflation, capacity trends, the weak economy, proposed changes in insurance/financial sector regulation and a catastrophe loss review focusing on the respite in the energy sector. The presentation also surveys some of the domestic and international regulatory, geopolitical and socioeconomic challenges facing energy producers and generators at a time of record global energy costs.

- See the [report](#) in PPT or PDF format.

OPEN ENROLLMENT AT A CROSSROADS: New Employee Expectations, New Employer Opportunities

Source: MetLife Institutional Business -- (2008, 13 pages)

The purpose of this white paper is to help U.S. employers maximize the Open Enrollment experience for employees. As employees continue to bear more responsibility for funding and choosing their own benefits, they are starting to behave as more engaged consumers. They have a stronger interest in making smarter decisions than they did in years past—and they are asking for the information and tools that will help them choose wisely.

This paper by MetLife investigates best practices for Open Enrollment and how an employee's life stage can influence their preferences.

- See the [report](#).

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