



Business, Financial &amp; Insurance Solutions

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## 2010: Insurance Premiums Under Pressure

Although the “Great Recession” has been declared at an end by global economists, the battered economy will keep insurance rates relatively flat in 2010, while sales, payroll and other measures of exposure used to calculate premium may continue to fall.



The credit crunch that sparked the 2008-2009 recession impacted both the supply and demand for insurance capacity. On the supply side, insurance carrier surplus was significantly reduced by losses in their investment portfolios. Insurance demand, historically unfazed by economic downturns (a certain level of insurance is considered critical for all business), also fell as firms downsized and looked to reduce costs.

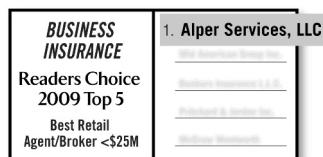
As the economy slowed, some policyholders saw their premiums fall, especially Workers’ Compensation premiums, as a result of reduced exposure from shrinking payroll and sales. Slowly increasing economic activity in late 2009 and early 2010 will not immediately translate into higher payrolls. Both payroll and corresponding Workers’ Compensation premiums are expected to remain lower in the short-term.

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## Alper Services Named #1 Commercial Retail Agent/Broker in the U.S.

Business Insurance Magazine recently released its annual Reader’s Choice Awards to recognize their readers’ selections for the best overall commercial insurance companies. In the best retail agents and brokers category, Alper Services was ranked #1 in the United States among all agencies with revenues totaling under \$25 Million (about 200 employees).

Read the full article on Alper Services at [www.BusinessInsurance.com](http://www.BusinessInsurance.com).



## Are You Ready for the Flu?

The normal flu season in the United States typically runs from November through March or April. This year, the season is starting earlier and is expected to last longer. Additionally, the illness may be more severe due to the threat of the H1N1 “swine” flu. Here are some suggestions you can implement to help combat employee illness and prepare for flu-related disruption to your workplace.

**Get vaccinated.** According to the Centers for Disease Control (CDC), a vaccination is the best way to prevent the flu. There are two separate vaccinations, one for seasonal flu and one for the H1N1 flu. If you are providing vaccinations for your employees, verify which type you’re getting. Alternatively, you should refer your employees to the local clinic or doctor.

**Plan for absences.** The CDC recommends that sick employees stay home for at least 24-hours after their fever has gone. If a significant segment of your workforce is sick, or if they’re home with sick children, this may detrimentally impact your business.

Reduce your risk by identifying essential employees and critical services, and plan how to react if they are laid low by illness for an extended period of time. Train and prepare an ancillary workforce. You also may want to create policies for flexible worksites, e.g.

telecommuting, or flexible work shifts in the event of a widespread outbreak. The CDC and the Department of Health & Human Services has a wealth of information about the flu for your business and your family at [www.pandemicflu.gov](http://www.pandemicflu.gov).


**Educate and communicate with your employees.** Initiate a program of personal protection against illness, by reminding employees about hand hygiene, coughing / sneezing etiquette, etc. Visit the CDC’s website ([www.cdc.gov](http://www.cdc.gov)) for documents which can be printed and posted as reminders for your employees. Schedule regular times to clean and disinfect common areas used by employees, including kitchens, lunchroom and bathrooms.

For more information, contact Alper Services’ occupational health nurse Carol Matteucci at 312-654-4252.

**Will you be covered if a public health official closes your business due to an outbreak of a contagious illness like the flu, ecoli or MRSA? Contact your Alper Services representative to discuss what coverage you need for that unexpected extra expense.**

## 2010: Insurance Premiums Under Pressure *continued*

While economists generally agree the recession has ended, the impact on the commercial P&C industry will be slow and uneven. According to industry advisers, average premiums will vacillate between small increases and small decreases for most of 2010 before settling into a pattern of slow and steady increase in 2011. Why? Although insurance demand will increase as the economy improves, insurance supply will also increase. However, if investment markets improve much faster than the overall economy, we could see a revival of lively rate competition. Additionally, a single large catastrophic loss could jump start the hard market for all commercial lines of insurance.

Insurance buyers should expect essentially flat premiums in 2010 as the market continues to feel the effects of the recession on sales and payroll. Recovery has begun, but its expected rate of improvement will vary widely across the different market sectors and across the country. 

## ALPER'S WEBSITE Gets a New Look

If you haven't looked at the Alper Services website in awhile, you're in for a surprise!

We launched a new website in early November to provide you with more information and easier access to us in a fresh and innovative way.

**Visit [www.AlperServices.com](http://www.AlperServices.com)**

You can use our site to:

- Request a Certificate of Insurance or Auto ID card
- Report a liability or property claim
- Send a workers' comp claim to Alper Early Intervention
- Request an invoice

And much more! 

*“Gratitude is the inward feeling of kindness received. Thankfulness is the natural impulse to express that feeling. Thanksgiving is the following of that impulse.”*

*Henry Van Dyke*

As the year draws to a close, we are grateful for the many opportunities we've had to serve you this year, and we are thankful that our work together will continue into the New Year.



**Happy Holidays from everyone at Alper Services!** 

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