



Krist Insurance Services Fall 2012 Seminar - Webinar

Employee Benefits and 2012 Insurance Forecast

Decisions to Make for Health Care Reform This Year

October 16th 1:00 to 3:30 p.m.

“New Employee Imposed Employer Fines”

“Or, how to make sure your communication is compliant with post Health Care Reform, ERISA and how to avoid other scary PPCA things....”

Guest Speakers: Carolyn McNairy from Total Administrative Services Corporation (TASC).

You are invited to attend this Seminar/Webinar in person at Krist Insurance Services, 6600 Westown Parkway, Lower Level Conference Room N and S, West Des Moines, IA; or by Webinar. To reserve your Webinar seat now paste <https://www3.gotomeeting.com/register/621455358> in your internet browser.

Register for both seminar and webinar: [www.Facebook/Krist Insurance Services](http://www.Facebook/KristInsuranceServices)

Banking Insurance Update

Many of our bank customers have migrated over to AmTrust from Banclsure, who entered into an agreement earlier this year to provide renewal rights to AmTrust, a fine “A” rated company that Krist Insurance has represented before the Banclsure arrangement was entered into.

Workers Compensation Update

As reported in our previous newsletter or as seen in many business publications, the rating bureau for Workers Compensation for 37 states, the National Council on Compensation Insurance has begun the rollout for changing the way your Workers Compensation premiums are calculated (for all NCCI carriers in Iowa). Called the Split Point, currently only \$5,000 of each Workers Compensation claim is calculated in your Modification Factor (X Mod). The three year moving average of losses against premium changes to:

- \$10,000 of each claim 1/1/13;
- \$13,500 of each claim 1/1/1014,
- and increasing to \$15,000 of each claim 1/1/15,

indexed to a national claims factor for 2015 and for each year thereafter. Why the increase? Medical costs have increased to an average of about \$10,000 per claim and the calculations are skewed. This is why minimum mods have gone up statistically, as average claims have increased, the average mod has moved toward 1.

What does this mean to me as Business Owner?

- ✓ Good Mods will get better (go down)
- ✓ Bad Mods (above 1.0) will go up
- ✓ You need to be vigilant on losses and incorporate loss control and safety management into your Workers Compensation program
- ✓ Listen to the Webinar and get familiar with the changes coming
- ✓ Contractors - be proactive under your contracts that require you to have a certain mod - with this change in benchmark, be ready to inform and educate those contracts that require a certain low mod status... and utilize Krist Insurance to help this process

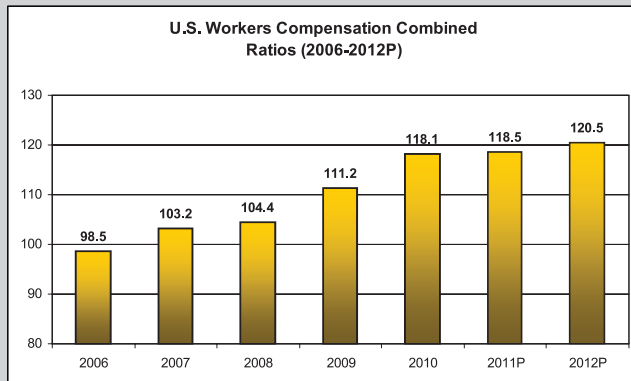
Medical Malpractice

Good news continues here - rates have been flat and coverages have been improved to include some Cyber Liability coverage - important to have with the change to electronic Medical Records. Many of our clients have this coverage, many have it combined with HIPAA coverage for additional protection against these federal changes and requirements.

Workers Compensation Update Continuation.

What is Krist Insurance doing to help?

- Involved nationally with the Split Point issues; testified at an Insurance division hearing; involved with a number of other states to inform and educate as a result of a presentation at Mid America Technical Conference
- Upgraded software to be able to project this impact now and going forward three years and have been using in client meetings for three years
- Training our associates to be on the cutting edge of this issue and conversant on all the issues
- Developing programs to assist clients with specific safety programs to avoid losses



Personal Lines Insurer Results and Market Conditions

Personal Lines insurers have been under loss pressure too - and it is all about wind and hail. 70% of loss costs for homeowners is coming from wind and hail. With no investment income to offset, amongst other issues, carriers are raising rates across the board. We at Krist have been mitigating this for our clients, by being vigilant on rate increases. For several years, we have been flagging all renewals to be proactive on carrier changes ahead of the market. As a matter of fact, we re-shopped almost 40% of our personal book of business in 2011, and move less than 5% of our customers to a new carrier. In 2012, we have seen 2/3's of our carriers taking rates in excess of 15% on Homeowners. This is a significant market change, and we all need to get used to a higher Homeowners basic premium, as carriers adjust to the losses they have had. For example:

- 15,000 weather records broken in March 2012
- Double the number of tornados than the 50 year average
- Just watch the news - the events are huge and ongoing
- Look at the disaster map at www.facebook.com/Kristinsurance.

Life Insurance for You and Your Business

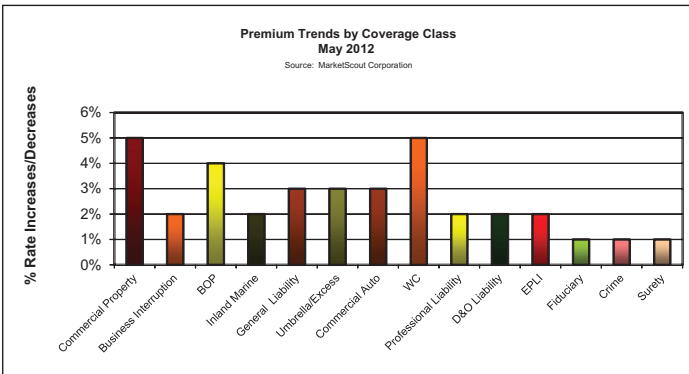
Did you know that Krist Insurance writes a significant amount of Life Insurance?

There seems to be a lot of interest in getting business valuations locked in with buy sell agreements funded with Life Insurance. We can even help with sample agreements and getting the conversation started.

There is also significant interest in plain old life insurance - why?:

- Home Mortgage cancellation – with real estate valuation and timing of sales unpredictable, life insurance can protect a forced sale
- Funding college for kids
- Funding parents senior care
- Creating an estate for the family

Larry Everett, LUTCF MHP, FIC and his team have been discussing these topics with many of our clients and would be happy to do a full review for you.



Announcing - Krist Insurance Facebook Contest

If you think we do a good job here at Krist Insurance, and according to our surveys and retention (north of 98%!) you do; we would love to help anyone who is experiencing an insurance problem, or is not enjoying good service who you may wish to refer here. So, for all referrals that we are allowed to quote, you will be provided:

- either a gift certificate to a local restaurant or
- for a round of Golf for a Personal Lines referral; or for a Commercial Lines referral, we will be drawing for:
- an 32" Flat screen TV;
- an I PAD; and
- a \$100 Gift Card.

Go to www.facebook.com/Kristinsurance to enter your referral info. We are in a very challenging time in personal insurance with prices under pressure from weather and other reasons, and all of your friends and neighbors will be effected...we are here to help...we have many carrier choices, and are delighted to be able to provide very good affordable solutions...

Facebook Items- Check it out- Personal Lines Risk Management

Many risk management ideas have been posted on Facebook - www.facebook.com/Kristinsurance.

Facebook 2012 timely Items to help - keep an eye on www.facebook.com/Kristinsurance or click on the Facebook link at www.kristinsurance.com

- Homeowners Tips for Winter
- How to Rent a Car on Spring Break - Common Insurance Questions
- Home Inventory Software and Free Application
- Summer Grilling Tips

Krist Associate Spotlight



Austin Duke
Named Commercial Lines Marketing Specialist



Alexander (AJ) Krist
New Assoc. Account Executive, recent graduate of Grandview University



Debbie Haas, AU, AIS, CPIW
New Sr. Account Manager, previously with EMC and Holmes Murphy



Michael Hake
New Personal Lines Marketing Specialist



Jenna Shore
New Personal Lines Account Manager, previously with American Family Insurance



Krist Insurance Group of Iowa, LLC
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 West Des Moines, IA 50266

we believe that service is the key to a competitive advantage in the marketplace – that’s why it’s part of our name

Items at Your Fingertips

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Referral Contest

Referral an individual or business to us and you will be eligible to participate in our Referral Contest. Referral Prizes are:

- Personal Lines - you will be placed in a drawing for a gift certificate to a local restaurant or for a round of Golf;
- Commercial Lines – drawing prizes include a 32” Flat screen TV; an I PAD; and a \$100 Gift Card.

Go to www.facebook.com/Kristinsurance to enter your referral info.



Using KristInsurance@ KristInsurance.com For Service Requests

Remember, using Kristinsurance@kristinsurance.com for all your service requests gets it in queue even quicker for a response. Try it! We want to be the best at customer service!