SECURA Insurance

Need for small-business information met by Experian's hit rate and key indicators.

SECURA Insurance faced the challenge of upholding high underwriting standards while also responding in a timely manner to clients and agents. By utilizing Experian's wide range of business information and capabilities, SECURA met its objectives.

Client

Located in Appleton, Wis., SECURA Insurance provides property and casualty insurance for businesses, homes, farms, automobiles and nonprofit organizations. SECURA is a mutual insurance company. It is owned by its policyholders, and it sells insurance through independent agents in 13 states. Well-regarded in the industry, SECURA is rated "A" by A.M. Best Company, a creditrating organization that serves the insurance industry.

Challenge/Objective

With tens of thousands of policies, SECURA faced challenges in two primary areas:

- Existing policies: With a large number of existing commercial policies, the company needed to process the volume efficiently, effectively and consistently.
- Given existing valuable relationships with independent agents, account processes needed to be responsive to agents while also managing risk.

Finding information on the large number of small businesses in SECURA's portfolio also was a challenge since the lack of information slowed down the decision process.

SECURA's objectives in meeting these challenges included:

- Finding bulk file processing services that would provide the information required to review accounts at least 90 days prior to their renewal.

- Identifying a trusted business information provider that could supply a cost-effective product as well as the key data required for making new underwriting.

Resolution

For commercial underwriting lines, SECURA decided to use scores, reports and portfolio management tools from Experian Business Information Services.

First, the policy renewal process was addressed with Portfolio Scoring. The process now allows for a monthly file exchange. SECURA provides a file of upcoming policy renewals. Experian® then returns the file with key business information, including payment, legal filings and an Intelliscore^{SM} score. Underwriters use the information to segment the population into risk categories and expend more effort on accounts with higher-risk profiles.

For new policy applications, SECURA used BusinessIQ^{SM} and Intelliscore Plus^{SM}. Commercial credit reports and Intelliscore Plus now give an overview of how well applicants handle their obligations and provide warning signals if collections, liens or judgments are present. The BizSource^{SM} database also provided a higher hit rate than previously experienced, assisting in the timeliness of both processes. This means that more inquiries were being found in Experian's database.

Finally, Experian experts trained underwriters and risk managers on using credit scores and credit information. The training was an important aspect of identifying the most useful information and warning signals that would assist the underwriting process.

Results

After having deployed Experian information for two years, SECURA has successfully streamlined both its policy renewal process and new applications process. Credit information, scores and portfolio management continue to be an important part of its underwriting process, and SECURA continues to increase sales despite multi-year softness in pricing for insurance premiums across the industry.

According to Tim Riedl, vice president of commercial underwriting for SECURA, "Experian business information has had and continues to have a positive impact on our underwriting processes. Portfolio scoring files have provided the information required to more effectively price a large volume of policy renewals. Underwriters use this information to segment risk and focus their efforts on accounts with higher risk profiles. The Experian factor is one of the data elements used to help guide underwriters in their pricing and risk selection decisions. For new policy applications, SECURA utilizes BusinessIQ and Intelliscore Plus which provide an additional set of warning signals to underwriters."

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— **Tim Riedl,** Vice President of Commercial Underwriting, SECURA