# Creating a Rosy Future for a Large NJ Flower Distributor

**The Challenge:**
A large flower distribution operation with facilities in NJ and FL had recently experienced a rapid deterioration of the workers compensation claims experience, and as a result of the claims their workers compensation carrier non-renewed their coverage. The company was forced to place their workers compensation coverage through the involuntary marketplace. Both Florida JUA and the NJ Assigned Risk Plan placed substantial surcharges on the policies, which resulted in the company incurring a substantial premium increase. After interviewing several brokers, Hardenbergh Insurance Group was chosen as their partner to regain control of their workers compensation program.

**The Strategy:**
Hardenbergh Insurance Group did a detailed loss analysis of the past 12 years. After doing so, it was capable to pinpoint the factors that were contributing to the poor experience. Key factors identified were:

- Repeat Offenders
- Increase in Claims Activity in Specific Years
- Increase in Claims Activity at Specific Times of Year
- Common Types of Loss and Financial Impact

Having identified these areas a strategy for dealing with repeat offenders and a program to raise safety awareness during high claim volume times of the year was developed.

By determining what was occurring with the operation during the claims frequency periods the specific process changes that attributed to claims could be identified. By identifying common types of losses, the financial impact of individual claims as well as effectively direct loss control and training activities could be quantified.

In addition, Hardenbergh Insurance Group worked to:

- Establish a Safety Committee
- Develop Employee Incentive Program
- Establish a Formal Return to Work Program
- Develop Accident Investigation Procedures
- Develop Safety Mission Statement for the Company
- Appoint Safety Officer

**The Results:**
After carefully communicating all of the changes to one a key carrier partner and explaining the change in the overall quality of the risk, it became possible to move the NJ portion of out the State Assigned Plan. Unbundled loss control services have been obtained for the Florida location and the expectation is to be able to remove coverage from the Florida JUA in the near future. The financial impact of leaving the NJ State Assigned Risk Plan was over a 25% savings to the insured, which will continue to increase once the full value of the strategy has reached maturity.


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8000 Sagemore Drive, Suite 8101 • Marlton, NJ 08053 • 856-489-9100 • www.hig.net