

Case Study

Ransone's Nursery & Maintenance, Inc.

At A Glance

Industry: Contractor

Company: Ransone's Nursery & Maintenance, Inc.

About the Client:

Ransone's Nursery provides lawn maintenance solutions, general landscaping, marine construction and general contracting.

Timeline: 30 days

Our Solution

- **Restructured business model to allow a 25% annual savings of roughly \$60,000 through the Bankers Insurance Consultative Process**
- **Added key coverages**
- **Reduced risk by implementing safety programs**
- **Transferred risk by adopting Return to Work Program and Post Accident Drug Test Waiver**
- **Face to face safety meetings with client's employees**
- **Consulted with the company's attorney**



The Background

Due to major losses, Ransone's Nursery's Workers Compensation insurance premiums had begun to skyrocket. Their insurance agent at the time, said there was nothing he could do to help, so they reached out to their bank for help. That is when we were called since we have extensive experience with contractors.

The Challenges

- Due to the losses, Ransone's Nursery's Workers Compensation Modifier had crept up, causing their insurance premiums to rise. A modifier is an adjustment made to an employer's workers compensation coverage, based on the losses the carrier has experience from the employer.
- If they had a low modifier, their workers compensation premium would have been \$70,000 annually, but their losses caused them to have to pay considerably more.

Our Solutions

- As with all prospective clients, we introduced our unique process using the following steps: Risk Tolerance, Loss Analytics, Predictive Modeling, Non-Insurance Transfer and Leveraging the Marketplace, in that order.
- It was determined that there were a few coverages that were being self-insured of which we transferred to the insurance company by purchasing new policies.
- We analyzed their current losses and identified certain trends that were causing the majority of the claims. We were able to offer suggestions to help management address some of those issues. In understanding the losses, it was evident that tree trimming was the highest risk and was closely related to almost every claim.
- We discussed certain procedures and business practices that would help maintain a safer work place, which in turn allowed us to use these factors towards leveraging the marketplace.
- There was no subcontractor agreement being used to transfer risk, so we worked together along with their attorney to create a bulletproof sub-contractor agreement.

The Results

- Since the owner's son, who was a superintendent for the business, had no ownership, we worked with their attorney to start a new business that would concentrate on tree trimming. This created immediate savings for Ransone's Nursery because they no longer had this class of work under their workers compensation.
- Through the new business, since all new business' start at a low modifier, the premiums being calculated were substantially less premium. Total savings came to roughly \$60,000.
- After 3 years, Ransone's Nursery and the tree trimming business have kept their modifiers low.