



# Program Restructuring

A Creative Approach to Structuring an Insurance Program  
Results in a Stronger Program and Significant Savings

## SUMMARY

When an “off-the-shelf” package policy proved to be vastly more expensive than anticipated, a landscape contractor turned to Alera Group for coverage that provided big savings in time and money.

- \$300,000 in savings
- Streamlined policy renewals
- Less time spent on claims processing

## The Client

A landscape contractor that provides routine maintenance to homeowners associations, including mowing, trimming, pruning, seasonal clean-up, fertilizing and mulching.

## The Challenge

The client initially purchased an “off-the-shelf” package policy designed specifically for its industry. The price was competitive, and, on the surface, the program appeared to include all the necessary coverages. Early in the policy term, however, the client realized its coverage was sorely lacking and the organization’s out-of-pocket expenses were mounting. What had looked like an economical insurance program at the time of purchase was turning out to be a costly selection for the company.

## The Solution

The contractor asked Alera Group to assess the situation and provide recommendations. A thorough review showed that a last-minute renewal was at the root of the problem. The incumbent broker was weeks behind in assessing the marketplace, and by the time the account was submitted to potential insurers, only one company was willing to consider the business. The insurer's only option was a \$50,000 deductible on one critical coverage. That meant the client was paying for every claim under \$50,000.

Alera Group redesigned the program. In collaboration with its market specialists and network of top-notch insurers, the team eliminated the weaknesses in the client's existing program. A significant improvement was replacing the \$50,000-deductible policy with one including no deductible.

## The Result

Alera Group significantly improved the client's program by strengthening coverage and securing more customer-friendly terms. One example: extended reporting time on any new vehicles added to the policy. Previously, the policy required immediate reporting for coverage to be in effect.

The new plan also lowered the client's cost by reducing deductibles, co-insurance penalties and other out-of-pocket expenses.

## Savings

Prior to Alera Group handling the account, the client was paying \$800,000 in annual premium for a policy with a \$50,000 deductible. In addition, it was spending another \$300,000 for claims that fell below the deductible. Alera Group was able to secure the no-deductible policy for the same \$800,000 price. Based on the client's loss history, this represented a \$300,000 savings.

## Better positioned for the insurance marketplace

A new proactive, streamlined annual renewal process is ensuring that the organization is well-positioned in the insurance marketplace to secure the most favorable terms and pricing for the client's program.

## Ease of administration

Less out-of-pocket claims handling is reducing the amount of time staff spends managing insurance issues. In addition, the renewal process is keeping the client informed and in control while minimizing last-minute requests for information and unwelcomed surprises.

## About Alera Group

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Alera Group is an independent, national insurance and wealth services firm with more than \$1.1 billion in annual revenue, offering comprehensive employee benefits, property and casualty insurance, retirement plan services and wealth services solutions to clients nationwide. By working collaboratively across specialties and geographies, Alera Group's team of more than 4,000 professionals in more than 180 offices provides creative, competitive services that help ensure a client's business and personal success. For more information, visit [aleragroup.com](https://aleragroup.com) or follow us on [LinkedIn](#).

## Your Contact

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### Jeffrey Turner

Partner/Producer

D 916-631-6888 O 916-631-7887

[jeffrey.turner@aleragroup.com](mailto:jeffrey.turner@aleragroup.com)

### PWA Insurance Services

2356 Gold Meadow Way, Suite 140

Gold River, CA 95670 |

[pwadmin.aleragroup.com](mailto:pwadmin.aleragroup.com)

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