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Texas Mutual[®] Insurance Company

Mutual Interests

Spring 2012

A Special Section for Agents

Safety Groups Earn Loss Prevention, Marketing Awards

Safety groups are an easy sell for agents. Group members get premium discounts, and they have the potential to earn two dividends if they control their losses.

Discounts and monetary returns are nice perks for any business, but the long-term value of joining groups is their focus on workplace safety.

In January, Texas Mutual recognized these master agents and their group safety committees for making Texas a safer place to work:

- Julie Schatz, Texas Sign Association Comp Group
- Barbara Marzean, Emergency Service Organization
- Philip Bruce, Texas Schools Group
- Diannah Tatum, Texas Medical Group
- Janet Cooper, Texas Cattle Feeders Association

"Each of these master agents and safety committees shares Texas Mutual's passion for preventing workplace accidents," said Steve Bills, loss prevention manager at Texas Mutual. "They are models for how group members can work together to prevent accidents and their associated costs."

A safety group is made up of employers in the same industry. Because group members face similar on-the-job hazards, the group can provide focused loss prevention services that help control its loss ratio.

One way to improve a group's collective loss ratio is to bring more safety-conscious employers into the fold. Schatz and Marzean have done an exceptional job selling the benefits of group coverage. Each took home a plaque for their marketing efforts, as well.

So did Brad Wicker of the Lone Star Auto Dealers Association and Jim Sierra of the Texas Oil and Gas Association.

"These agents work as hard as anyone I've met to promote the benefits of group coverage," said Jack Ogden, senior marketing specialist at Texas Mutual. "They take advantage of every opportunity to tell agents how groups can help them attract and retain good customers. Texas Mutual appreciates everything they do to grow their groups."

Texas Mutual underwrites 31 safety groups. Any agent can submit qualifying clients for consideration. For a list of safety group opportunities, visit texasmutual.com/agents/group.shtm. ★



Top: Texas Mutual recognized Brad Wicker (second from right) for his success at marketing the Lone Star Auto Dealers safety group. (L-R) Jack Ogden, senior marketing specialist; Steve Math, senior vice president of underwriting; Brad Wicker, master agent of the Lone Star Auto Dealers safety group; Ken Lauber, vice president of field operations.

Bottom: Barbara Marzean (right), master agent of the Emergency Service Organization safety group, took home a marketing award and an award recognizing the efforts of the group's safety committee. Marzean is pictured with Carolyn Howell, senior manager of underwriting and marketing in Texas Mutual's Austin regional office.



Agency Rep Spotlight Darryl Lansford

The Oct. 18, 1992, edition of the Kerrville Daily Times features a short piece about a local insurance agency receiving a contract from CNA. The piece includes one of those grip-and-grin photos newspapers love to run.

If you use the handy electronic magnifying lens that comes with the online issue of the newspaper, you can make out a mustached Darryl Lansford delivering the contract. The caption paints the picture of a drastically different workers' compensation system than we are accustomed to.

"CNA is one of the largest insurers in the marketplace and one of the few companies still writing workers' compensation insurance in Texas."

Two decades later, a lot has changed. CNA has plenty of competition in the Texas workers' comp market, including Texas Mutual, which wrote its first policy on Jan. 1, 1992.

Meanwhile, Darryl has ditched the facial hair. He's also changed jobs. For the past six years, he has represented Texas Mutual in agents' offices in San Antonio, the Rio Grande Valley and Corpus Christi.

"Agency reps are the face of the company," said Darryl. "The best thing about my job is building relationships with our agent partners. I enjoy telling them about Texas Mutual services that can help them build their books of business with us."

Those services include safety groups, our health care network, dividend programs, loss prevention tools and zero tolerance for fraud policy.

In addition to CNA, Darryl has worked for Royal Globe and Northbrook P&C during his 31-year career. Unlike those companies, Texas Mutual is not publicly traded.

"I think our status as a mutual company benefits our customers," said Darryl. "We are not here to turn a profit for stockholders. We always act in the best interests of agents, their clients and their clients' injured workers."

Off the clock

Home. I have lived in San Antonio my whole life. I love the climate and the friendly atmosphere. I also like being close to the Gulf of Mexico. If I had one complaint, I guess it would be that we need another professional sports team.

Family. My wife and I have two daughters and a son.

Interests. I like to hunt, fish and travel.

First job. I worked in an automobile replacement parts warehouse. ★

Ken's Corner

By Ken Lauber,
VP of Field Operations



We've gone social

The insurance industry was built on relationships. In the old days—I'm talking about way back in the 1990s—success hinged on how many doors you knocked on and how many hands you shook.

Insurance is still a relationship business. It always will be. But technology is changing the way we build and maintain those relationships.

In January, I had the pleasure of attending the 49th annual Joe Vincent Management Seminar. I was amazed at how many presentations included the Internet and its offspring: social media.

If you've been scratching your head, trying to figure out what Facebook, YouTube, Twitter and other social media platforms mean to your business, you're not alone. Texas Mutual is working hard to carve out its own niche in cyberspace.

This is an exciting time to be in the insurance business. Social media is forcing carriers and agents to rethink the way we connect with current and potential customers.

Blogs are a good way to establish yourself as an expert in your industry. I encourage you to follow ours at texasmutual.wordpress.com. You will find articles written by our loss prevention, claim management and underwriting professionals. We also post the occasional short video.

Most of Texas Mutual's videos are promotional. We recognize, however, that you and your clients are increasingly interested in educational videos on workers' compensa-

tion topics. Our communications people are working closely with our business units to meet your needs. Our friends at Cravens Warren have set the bar pretty high.

The agency's website, cravenswarren.com, features videos of Cravens Warren staff discussing oil and gas insurance, workers' compensation and other coverages.

Texas Mutual supplements its blog and YouTube efforts with a Twitter account at twitter.com/texasmutual. Twitter allows you to send short messages of up to 140 characters. We use Twitter to distribute timely company and industry news to our followers four to five times a week.

This is an exciting time to be in the insurance business. Social media is forcing carriers and agents to rethink the way we connect with current and potential customers.

I'll connect with many of you at this summer's IIAT Annual Trade Show and Convention. Texas Mutual is also sponsoring the Trusted Choice Big "I" National Championship this August. Until then, I hope we cross paths in cyberspace. ★

Reminders

These stories originally appeared in Agent News, our monthly e-newsletter. Agent News is a convenient way to keep up with timely industry and company issues that affect you and your clients.

If you have not registered to receive Agent News, visit texasmutual.com/agents/agentnews.shtm.

RRC discontinues special certificates

Due to the recently implemented SB 425 "certificate law," effective Jan. 1, 2012, the Railroad Commission of Texas (RRC) no longer requires LPG, LNG and CNG license holders to complete and file special certificates (LPG Form 996A, LNG Form 2996A or CNG Form 1996A). Therefore, agents can now provide the RRC with a standard certificate.

Agents or policyholders may use a standard ACORD® form to certify workers' compensation coverage that includes the WC420601-Notice of Material Change Endorsement or an equivalent endorsement approved by the Texas Department of Insurance.

Attaching this endorsement will amend the policy to ensure that any cancellation of the policy would require 30 days' written notice to the RRC's Alternative Energy Division, Licensing Section. These forms should be forwarded directly to the RRC.

Tell your clients about network statute changes

Recent changes to the Texas Insurance Code affect employers who have enrolled in a workers' compensation health care network.

Under the changes, if an employer does not properly notify employees about their network participation, employees may bring the issue to the Texas Department of Insurance, Division of Workers' Compensation (DWC) for adjudication.

Injured workers do not have to comply with the network requirements until they receive proper notice.

Texas Mutual continues to provide online tools for agents and policyholders that can assist policyholders in complying with network requirements.

Simply go to texasmutual.com, and click on the Health Care Network tab. You can provide your clients the important compliance information they need when they select the network option.

It is very important for policyholders to comply with the law. Please refer to the Texas Insurance Code on the Texas Department of Insurance website for more information.

Want an instant policy number?

Getting a Texas Mutual policy number so you could complete a certificate of insurance used to be a manual two-day process. Now, it's an automated process, thanks to the collective brainpower of Texas Mutual's underwriting, insurance services and information technology professionals.

In response to customer feedback, Texas Mutual has given agents the ability to generate policy numbers online. All you have to do is visit our Internet Quoting (IQ) system at texasmutual.com and pay in advance of the desired effective date. In most cases, IQ will generate a policy number instantly.

"In addition, IQ will generate a downloadable policy," said Jay Beene, a senior process analyst in our insurance services department. "An agent can now complete the entire cycle online. For qualifying applicants, agents start with a submission, receive an automated quote, and proceed to the policy in one sitting.

"We hope this new service encourages more agents to save time by paying and binding coverage online," continued Beene.

Beene adds that online policy issuance is exclusively for agents. Texas Mutual constantly works to make it easier for you to do business with us. If you have improvement suggestions for *Texas Mutual*® online services, we invite you to contact your agency representative or call us at (800) 859-5995. ★

Meet Our New Underwriting Leadership

Texas Mutual recently promoted Jeff Lentz from senior manager of underwriting and marketing in our Dallas regional office to vice president of underwriting. The company hired Bill Jackson to fill the post vacated by Lentz.

Lentz is responsible for directing underwriting policies and procedures. He oversees the integrity of the company's risk selection and pricing decisions to achieve profitability, retention and growth.

Lentz also directs the company's file review process, as well as strategies for enhancing the profitable growth of safety groups.

Jackson manages marketing and underwriting policies and procedures in our Dallas regional office. In that role, he focuses on building agency relationships, creating revenue and developing staff.

Jackson has more than 20 years of experience in the commercial insurance industry. In prior positions, he was instrumental in adding new revenue streams and aiding in the development of coverages and programs, such as employment practice liability, cyberliability, hotels and restaurants. ★



Jeff Lentz, vice president of underwriting (left) and Bill Jackson, senior manager of underwriting and marketing, DRO (right).

Need
one good
reason to come
to our
workshop?
How about
three?

1. Earn 3.5 CE credits. *
2. Get tips for building your business.
3. Learn from our workers' comp pros.

We update our schedule throughout the year. Visit texasmutual.com to register for a workshop near you.

TDI course title: *The Workers' Comp Workshop for Agents*

TDI course number: 4921

Provider number: 32540

*Remember: Please bring your license number. We must record it to issue your CE certificate.

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Key Phone Numbers

Main Number & Information (800) 859-5995
TDD (for hearing impaired) (800) 853-5339
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Is there a subject you would like to see covered in *Mutual Interests*? If so, please direct your suggestions to David Wylie at dwylied@texasmutual.com.

TexasMutual[®]
Insurance Company

6210 E. Hwy 290 • Austin, TX 78723-1098
(512) 224-3800 • (800) 859-5995

email: Information@texasmutual.com
texasmutual.com

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Texas Mutual Insurance Company supports drug-free workplaces. They are safer for employees and more productive for employers. We use random drug testing of all *Texas Mutual*® employees who regularly travel on company business. Although this process may cause occasional scheduling conflicts, we hope you will support our efforts to keep Texas Mutual Insurance Company a safe and drug-free workplace.

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