

## Your Guide to Finding the Right Insurance Partners

When it comes to protecting successful families, specialized expertise and a dedicated risk advisory team are invaluable advantages. With multiple properties, high-value assets and potentially costly liability exposures, the family risk profile can be extremely complex. In order to manage the unique needs of successful families, a dedicated risk team that includes a risk manager, insurance broker, and specialty carrier are necessary to craft an effective insurance program.

### **What to Look For in a Family Insurance Team**

When selecting your risk management team, make sure you include experts whose interests align with those of your family. One way to do this is by assigning a family member, family office employee or domestic staff member to manage the creation of the insurance program. These individuals can utilize their understanding of family dynamics, complex ownership structures and the different requirements of the family's households.

Working with an external risk management consultant is also important. The best consultants offer deep knowledge in the field and can make recommendations that may not be immediately apparent. Properly serving successful families requires extra attention and broad resources, so an independent risk management consultant should have access to a sophisticated support network beyond insurance expertise.

### **Choosing the Best Insurance Broker**

Carefully choosing an insurance broker is the best way to gain the experience, attention, and support required for protecting your family. The ideal broker has the expertise and dedicated staff to provide concierge-level of service, along with relationships with specialty insurance carriers to help tailor coverages for clients with unique exposures.

The insurance broker is the most important member of the family's insurance team. A good broker builds a close relationship with the family over time and becomes a trusted advisor. That's why it is imperative to ask the right questions when selecting a broker for your family. Some families may only need one person to coordinate the insurance program, while others need a team.

Learn more about how your broker's expertise applies to your specific family situation by asking for examples of multi-state risks, multi-generational programs and complex ownership structures. These can help you connect the dots between your family's needs and the broker's expertise.

Most brokerages will also assign a dedicated claims and risk services consultant to provide high-touch service if the family should suffer a loss. It's also wise to learn how these individuals are compensated to ensure high integrity and ethical business practices.

If your broker indicates that you will be working with an account executive for administrative matters, take the time to learn about their level of experience. The best account executives are likely to have many different responsibilities in the brokerage, so be sure you aren't saying yes to a relationship with an overburdened employee.

Find out if your account executive has a structured client communication plan that assures you are notified of changes in coverage. Are they able to effectively convey new ideas and coverage enhancements in a way you understand? Also, do they practice a proactive or reactive working relationship? You want an account executive that proactively contacts you with updates, but also responds quickly to your inquiries.

### **Finding the Right Specialty Insurance Carrier**

Selecting the right insurance carrier isn't about price: it's about protection, both personal and financial. Look for a carrier that offers high excess limits and flexible coverages that can be customized to meet the complex and interconnected exposures associated with successful families.

The right carrier will also provide a broad offering of risk management services to help policyholders avoid losses. And because claims for successful families can result in multi-million dollar settlements, the selected carrier must have a solid financial foundation.

## Managing Generational Risk

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Once the insurance team is in place, it is important to think comprehensively about coverage. As families – and particularly large, multigenerational families – tend to grow and change over time, risk exposures should be re-assessed regularly to ensure that coverage remains relevant generation to generation. Designating a risk manager can help with this process.

Risk managers can be internal or external staff and will typically carry a variety of professional designations, such as Certified Risk Manager (CRM), Certified Insurance Counselor (CIC), and Certified Personal Risk Manager (CPRM). They should also be overseen by their state's insurance office, which governs the industry to protect consumers from unscrupulous business practices.

The job of a risk manager is to understand the risk tolerance of a family and account for any change in the risk profile from one generation to the next. Families with multi-generational wealth will need to build an insurance program that accounts for both the short-term and long-term needs of each generation.

The ideal risk manager will have a high degree of expertise in personal insurance. This knowledge includes a deep understanding of both standard and non-standard solutions. Insurance products evolve over time, so find out if the risk manager stays current on the latest coverage enhancements and policy changes with each carrier in the personal insurance market. Set the expectation that your risk manager monitor the program periodically or at least annually.

## Crafting the Right Coverage

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Successful families have complex exposures that require creative solutions not commonly available on the standard market or even with specialty policies. To meet these unique needs, your broker should have strong relationships with specialty carriers and then work seamlessly with them to coordinate all coverages and service details. The broker/carrier team should fit comfortably in the family culture to form a trusted advisory relationship.

From a coverage perspective, ask your broker if the recommended carrier (or carriers) offers multiple options or methods for insuring you against your unique set of complex risks. An ideal personal insurance carrier will have ample base coverages with high limits and endorsements to build an effective solution. They'll also have access to non-admitted

solutions that offer more flexibility for families with properties in multiple states. A common misconception is that most insurance carriers offer these types of solutions, but few do. Families can also outgrow coverage, so it is important to find out if a carrier is prepared to grow with you.

Look for specialty coverage that focuses on assets such as aircraft, watercraft, and art. If your family owns a hobby farm or vineyard, farm and ranch coverage is a desirable option. Also, because successful families often employ domestic staff, the need for employment practice liability, workers compensation, and disability coverage are necessary, but not always available from a personal lines carrier.

Aside from coverage and expertise, service is a significant differentiator in this insurance market. Look for a carrier that provides an internal person or team dedicated to your account that can assist you with billing, claims, and renewals. A dedicated consultant can also coordinate risk management services to evaluate your property and offer preventative measures to protect against natural disasters, losses in your collections, and family security issues. Even something as small as a hidden water leak can cause massive damage to your prized possessions if it is not caught early.

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Reach out to Chubb to learn more about how our experienced team can work with your family to create an insurance program that both covers all your risks today and can grow with you over time.



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