



# NH Hospitality Compensation Trust

NEW HAMPSHIRE LODGING & RESTAURANT ASSOCIATION



## Compare...

### The N.H. Hospitality Compensation Trust to the commercial market:

#### 1. Rates – the privilege of self-insurance

NHHC Trust rates are evaluated annually by the Trust's Board based on our actuary's analysis of the Trust's experience. Commercial insurance rates are established by regional and state experience; some carriers provide additional discounts if they obtain all of your insurance business. The commercial insurance market rates have been increasing for our industry. The Trust's rates are not subject to the volatility of the commercial market. Self-Insurance is the top tier of WC insurance. We are celebrating another rate decrease this year; a total of 44.2% reduction in rates since the Trust was established.

#### 2. Dividends

As a not-for-profit, we return any unused premium (after claims & admin costs are paid) to our Members in the form of a dividend. Our Trust has returned more than \$9.1 million in dividends over the last 20 years. We are experiencing another record year with dividends of \$800,000 representing more than 35% of premium. The commercial insurance market may offer a dividend workers' compensation program for some risks; however the insurer retains their profit first.

#### 3. Customer Service

Our Claims Team manages an average of 50-75 claims on a regular basis vs. 250-300 claims per adjuster in the commercial market. The Trust is local; most commercial carriers are out of state. As such, many use independent adjusters who have no interest in your business; they are just assigned a claim. Reserves are reviewed monthly by our Claims Team and are adjusted according to the current and future exposure so as to not over inflate the value of the claim. The commercial standard for adjusters to evaluate claims is every 90-120 days. We communicate with our Members on a regular basis whenever there are claims; most commercial carriers will only discuss claims if asked by the employer.

#### 4. Recoveries

Second Injury Fund and third party recoveries are rigorously pursued by our Claims Team; the commercial market rarely pursues them because of documentation and the time involved. DOL statistics support these results. Did you know the DOL has a job modification fund?

#### 5. Outreach & Support

We provide training and resources to our Members. Personal visits are conducted with injured employees who lose time from work. We also attend all of our DOL hearings, with or without legal counsel. Loss prevention training and resources are provided to our Members, including a web-based program available 24/7.

#### 6. Retention

Our retention rate is over 90%, versus the commercial market where most employers shop around each year.

#### 7. Trust Experience – Members are in “good company”

An employer's experience modification factor is their “multiplier” when workers' compensation insurance premiums are calculated. The Trust adheres to specific underwriting criteria and as a result, the majority of our Members have an experience modification factor of 1.00 or less.