

THE TEAM WITH THE BEST PLAYERS

WINS..... Jack Welch

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EVERYONE IS TALKING!

No matter where you get your information ... the Internet, television, car radio, magazines, newspapers, or the various news outlets ... **the message is the same!**

The “talking heads” are reporting statistics on the negative state of our economy.

Connecticut has decided that ... It’s time to make changes.

It’s time to open our eyes and formulate a new plan for tomorrow ... change the future!

Take control and use our assets to reshape our economic destiny!

On April 21st, the State of Connecticut took a bold step to change the paradigm going forward. To affect this change, Connecticut made a decision that the business community, the accounting community and the State of Connecticut would work together to strengthen the future economy of Connecticut. This is evident in the following press release:



State of Connecticut Insurance Department

Andrew N. Mais
Commissioner

For Immediate Release

Contact: Jim Carson

April 21, 2020

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Connecticut Insurance Department to Partner with Accounting Firms to Expand the State’s Captive Insurance Market

April 21, 2020 – Hartford, CT: The State of Connecticut Insurance Department is moving forward with an initiative to work closely with accounting firms in the state to expand their presence in the Captive Insurance Company market. The state feels that accounting firms, as the “trusted advisor” to most mid-sized businesses, are best positioned to assist in the education and communication of the benefits of captive insurance companies to these businesses. The state has engaged The National Network of Accountants (NNA) and Private Insurance Management Inc. (PIM) to assist with the design and implementation of the program.

“With the serious problems our state and our country are facing right now, we couldn’t think of a better time to educate our business community about risk management tools that are available to them, with which they might not be familiar, such as captives” said Janet Grace, Program Director of the State of Connecticut Insurance Department’s Captive Insurance Division. She added, “Businesses in our state that currently have captive insurance companies will have a layer of relief during this crisis that others will not. We want to make certain that all businesses in the state are better educated to all the options available to them to protect against future situations that could create catastrophic losses. We believe that working with our state’s great accounting firms is the best approach to provide this type of outreach and education for Connecticut based businesses.”

One of the main issues is that commercial insurance coverage will offer little to no reimbursement to most businesses suffering losses due to the coronavirus pandemic. “Most commercial business interruption insurance policies contain an exclusion for losses sustained as a result of a pandemic,” said Paul Hyl, Esq., Principal of Private Insurance Management, Inc., a captive management company working with the state. “The same goes for loss of key customer or supply chain interruption insurance, which most businesses don’t even maintain because such policies are too expensive in the commercial market. The pandemic exception, or other exceptions, such as the requirement of a physical loss, does not exist in most captive insurance company lines of coverage.” This has been good news for many businesses and business owners who have a captive prior to the pandemic.

The state’s goal is to engage in an outreach and educational program to teach accounting firms the benefits of captives – also referred to as private insurance companies - and how to identify clients within their firm’s practice areas that would be most likely to benefit from the concept. The National Network of Accountants has been training and providing educational resources for accounting firms across the country for almost three decades. As part of this initiative, they will be working closely with the state to ensure that Connecticut accounting firms are well prepared to bring the benefits of captive insurance companies to their best business clients. “It’s all about education and communication” said Joseph Tucciarone, Founder and Chairman of NNA. “If we can get the accounting firms comfortable with the concept, I believe we can have a positive impact on businesses across the state of Connecticut and help them solidify their insurance and risk management planning.”

Consumers, insurers and brokers with questions about insurance can contact the department directly by email at insurance@ct.gov, online, or by calling the Department at **800-203-3447** or **860-297-3900**.



President John F Kennedy called the American people to action for the public good in his inaugural speech, when he stated, “ **My fellow Americans, ask not what your country can do for you, but ask what you can do for your country.**”

IT’S TIME FOR THAT SPIRIT TO TAKE HOLD AGAIN!

The decision by Connecticut is one of many steps that can be takenif we decide to be part of the solution.

At this point we have to make right choices. We need to support our local, state and federal governments to assist in **THE CHANGE!**

It will take everyone rethinking the possibilities. Connecticut is asking their business community, along with their accounting community, to re-imagine their insurance. Let’s all pitch in to protect businesses in the future and make them more resilient to face tomorrow.

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