

JANUARY 2021

SOUTH FLORIDA

THE



TORCH

THE VOICE OF INDEPENDENT INSURANCE AGENTS

LEAPING INTO 2021

With High Hopes





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The Latin American Association of Insurance Agencies (LAAIA), founded in 1969, is an association of insurance professionals whose purpose is to protect the rights of its member for the benefit of the consumer through education, information, networking & active participation in the political environment and community service.



PRESIDENT'S MESSAGE

Lissette Perez, CPIA

Happy Happy New Year! Are you ready to take the leap with us into 2021? We are ready for you with high hopes for a better and brighter year.

We start the year with the re-introduction of our membership. For those of you that are not aware, we now offer individual memberships with an annual cost of only \$225.00 Now is the time, to renew your membership if you have not done so already or join as a new member to enjoy all the benefits of what our association has to offer. Learn more about membership here! [CLICK HERE](#)

Our first monthly meeting of 2021 is scheduled for Wednesday, January 6th. Catch up on the current state of the insurance market and what to look forward to in 2021. David Altmaier, Insurance Commissioner, is our guest speaker joined by Barry Gilway from Citizens Property Insurance, and John Rollins from Olympus Insurance, giving us their carrier perspectives on things to come.

If you have already received emails about our upcoming mentoring program, on January 7th is your chance to sign up and be a Mentor. If you are looking to expand your insurance knowledge, then now is the time to sign up as a Mentee.

“Success isn’t just about what you accomplish in your life, it’s about what you inspire others to do”

I have had the privilege of having incredible mentors in my career and I also have had the joy of mentoring a few others. If only with inspiration or direction, a word of advice or just an ear to listen, the experience allows others to grow while you share your knowledge and expertise.

As we work on more of what is to come, we invite you to reach out to us and let us know what you want to hear and learn about. We hope to be able to see you in person soon!

Until next month, con mucho cariño.
 Lissette Perez
 President

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NATIONAL

BROWARD

ATLANTA



UPCOMING

Events

BROWARD

Wednesday, Jan. 20th, 2021

Flood Map changes-What you need to know

Sponsored by NatGen

5:30 pm - 6:30 pm

To Register: <https://cvent.me/vv92ae>

NATIONAL

Wednesday, Jan. 6th, 2020

2020 Enough Already!

Join us for our first monthly meeting of the year and find out what is on the horizon for the insurance industry in 2021.

5:30 - 7:00 pm

To Register: <https://cvent.me/vv92ae>



**WEDNESDAY, JANUARY 6
5:30 PM - 7:00 PM**

2020 ENOUGH ALREADY!



JOIN US FOR OUR FIRST MONTHLY MEETING OF THE YEAR AND FIND OUT WHAT IS ON THE HORIZON FOR THE INSURANCE INDUSTRY IN 2021.

Tune in for an insurance marketplace discussion about the 2021 legislative priorities for the Office of Insurance Regulation. Hear about potential legislation that the legislature will address in the 2021 session about the insurance industry and how it relates to COVID-19 and other property and casualty issues. Get updates from the NAIC, and what our horizons "new normal" may look like.

GUEST SPEAKERS



DAVID ALTMAIER,
COMMISSIONER



BARRY GILWAY,
CITIZENS PROPERTY
INSURANCE

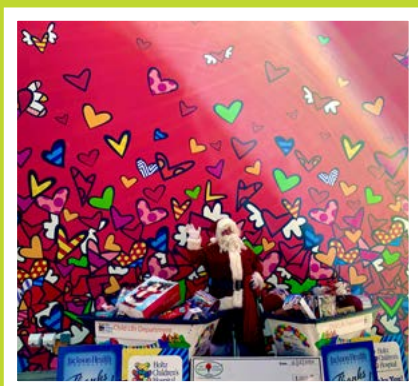


JOHN ROLLINS
OLYMPUS
INSURANCE

CHARITY CORNER

THE LAAIA AND SANTA BRING JOY TO THE KIDS AT HOLTZ!

With lots of love and get well wishes, our LAAIA Charity Committee was able to deliver many toys and \$8,000 to the Holtz Children's Hospital on Saturday, December 12, 2020. Here are some highlights of the day's activities with Santa.





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BROWARD HIGHLIGHTS

Let me be one of the first to say Happy New Year to you. I trust that everyone had fun bringing the new year in a safe and socially distanced manner. It sure was nice to have time off to celebrate the holidays with the ones we love.



While I am hopeful for new year possibilities, I remain concerned over the present turmoil in our industry. Staggering rate increases, closed markets, failed legislation, reduced commissions, and a record hurricane season are a few of the factors that make for stressful times for all concerned. Despite all of this, I must implore that you keep your head up, always be professional, and stay tuned to the BLAAIA for continued support on how we can navigate through this together. Remember, I am just a phone call away.

If you are not currently a member, please consider joining our organization today. We have great member benefits, tons of educational workshops, mentorship, and networking opportunities. There is no reason to fly solo in this business.

We are working on when to have in-person meetings again but until then, please join us via Zoom for our January 20th meeting on what you need to know about Flood map changes, sponsored by Natgen.

Remember, you can always ask Blair@blaaia.com for anything you would like to know. Thank you to our members for all of the great feedback you have given to us.

May this year be the best yet!

Remember: "The Comeback is Greater than the Setback"

Andy Pappas

President of the Broward Chapter
2020-2021

LAAIA TAKES IT TO ANOTHER LEVEL IN WINE TASTING!

On behalf of the LAAIA together with Vecinos Market, we would like to thank all participants for supporting this exciting new tradition, of Wine Tastings Around the World held on December 9th. From the looks of everyone in the pictures, they all had a fabulous time dressed in their ugly and some pretty holiday sweaters, guided by Justin Molis, our Sommelier Certified Wine Specialist. Justin took us through vineyards in Italy, Spain, and Argentina as we tasted variations of 4 wines from all those regions. From Tid-Bits on food pairing, to which crystal glasses work best when enjoying wines, such as Schott Zweisel Crystal and Riedel Crystal, we learned so much from Justin. Make sure to follow him @therealjustinmolis and stay tuned for future virtual traveling adventures with the LAAIA through vineyards and wines of the world.



LAAIA TAKES IT TO ANOTHER LEVEL IN WINE TASTING!





INDUSTRY INSIDER

P&C Cross-Sale Opportunity in 2021 **By Miguel Taveras, CLF®, LLIF**

The Coronavirus Pandemic has shown the world we are not invincible. The good news is that the vaccine has been developed and it is starting to make its way around the world. It is time to focus on the future of our business, and that means taking advantage of the sensitivity clients feel while maximizing cross sale opportunities.

With other sales channels targeting wealthier clients, multi-line agents can help their middle-market clients in 2021 and beyond with their total insurance, financial and retirement planning needs. Your existing relationship with your P & C customers puts you in an ideal position to help by offering these kinds of services. In fact, 3 in 4 middle-market consumers are willing to consider buying life insurance through their auto insurance agency or agent.

If we look closer at the middle market specifically, we find about one third is working with at least one professional to help with financial decisions yet do not believe these professionals are meeting all their needs. Only 1 in 5 are content with the professionals they are currently working with. They are either looking to work with an additional professional or someone who is more of a generalist. In fact, they seek guidance from professionals who can take a holistic view of their entire lives, not just the home and auto picture. Remind you of anyone?

Why do they buy from us? Well, aside from price, people buy insurance with their Home and Auto Agency for two main reasons. First, they feel the products are well-suited to their needs and second, they trust the company's reputation. So, for your home and auto customers, brand matters – in terms of reputation and trust.

But we need to do a better job promoting our abilities to be total risk managers. In one recent industry study, 52% of consumers surveyed said their multi-line companies do not sell life insurance; when in fact, 95% of the companies do. That plays out in ownership numbers. Only 9% of households own three products with their multi-line companies. Most own 1 or 2 – likely auto and home.

Of those that do own, 84% started out with a P & C product and most often, they are the ones who initiated the conversation about their other insurance needs. 80% had this conversation and purchased within 5 years of the initial sale. This highlights the critical need to set the stage early regarding your ability to take care of their holistic insurance concerns. This is a receptive audience, so do not fear making the pivot to other insurance products.

P & C customers are not looking for a once and done interaction. More than 4 in 10 also need professional advice when reevaluating life insurance needs or auto insurance coverage. That means that a good percentage want more than a transactional relationship. They are looking for a long-term commitment that will help them take care of all their insurance needs as they evolve.

The implications of this research are clear – your existing book of business contains a wealth of untapped opportunity that you should take immediate action on. Increasing the number of product lines per household will generate additional revenue in 2021 and improve customer retention.



IN THE NEWS



Florida Courts Clarify Role of Appraisal in Coverage Claim Disputes

SOURCE: *insurancejournal.com*, Dec. 2020 | Reprinted with sincere thanks by Kimberly Berman

For first party property claims, lengthy and costly litigation is not always the only mechanism for resolving a dispute. Most homeowner's policies include detailed terms and conditions for parties to undergo appraisal when there is a dispute over the amount of loss.

Appraisal is mandatory when properly demanded by an insured or the insurer. Yet, parties in Florida are often confused as to whether all coverage issues need to be resolved by a trial court before compelling appraisal or if they can proceed straight to appraisal while preserving any challenges to coverage. Part of this confusion may stem from Florida appellate courts' competing approaches on whether a trial court must always resolve coverage issues before compelling appraisal where the insurer denies coverage.

This could change now that the Florida Second District Court of Appeal has adopted the Third District Court of Appeal's approach and certified conflict with the Fourth District in *American Capital Assurance Corporation v. Leeward Bay at Tarpon Bay Condominium Association, Inc.*, 2D20-165 (Fla. 2d DCA Nov. 4, 2020).

The American Capital case involved a Hurricane Irma claim for damage to a condominium's buildings. The association filed a claim under the policy, and the insurer agreed that \$76,000 of the loss was covered and issued payment. Thereafter, the condominium submitted a proof of loss for just over \$8 million, demanded appraisal, and filed a breach of contract lawsuit against the insurer.

Once suit was filed, the condominium moved to stay and compel appraisal. In response, the insurer alleged the policy was void because of fraud since the condominium overinflated its claim. The trial court found that the case was "a dispute as to scope of loss [or amount] not whether there [wa]s coverage," granted the condominium's motion, and directed the appraiser to itemize the damages.

READ MORE: <https://bit.ly/2y3ZIDy>



THE INFORMED **AGENT**



P&C Commercial Lines in 2021: Innovation or Optimization?

SOURCE: strategymeetsaction.com, Dec. 2020 | Reprinted with sincere thanks by Mark Breading

The unexpected, unprecedented events of 2020 have turned the world upside down. Like every business sector, commercial lines insurance has had to adapt and adjust throughout the year. Many commercial lines insurers have experienced significant financial hits from the pandemic due to increased claims, lower business volumes, and the decreasing payrolls of their customers. Large reserves have been set aside, but the continuing uncertainty means that there may be long-lasting negative impacts to financials far into 2021. How much has the economic environment affected insurers' strategies and plans for 2021?

SMA's recent research report, 2021 Strategic Initiatives: P&C Commercial Lines, provides insight into how strategies are shifting. All indications are that the transformation that began several years ago will continue in 2021. However, some significant changes are occurring in strategies as insurers consider the new realities of the business environment, the risk landscape, and the workforce shifts. Prior to 2020, insurers focused primarily on level one transformation aimed at business optimization and innovation in the context of existing business models. As 2020 approached, it became clear that leading insurers were moving to level two transformation, emphasizing true innovation via new business models, new products, and bolder strategies. Then the pandemic hit.

As commercial lines insurers plan for 2021, there is a movement back to level one transformation. Our research shows that business optimization continues to be the top driver of strategies, as it has been for the last several years. However, innovation had risen to become a major reason for tech investment. But it has fallen significantly, and fewer executives cite it as a strategic driver. In terms of major projects, core systems and business intelligence initiatives continue unabated. These foundational systems are too important and have too much momentum to slow down. In addition, all types of digital projects are moving forward, and some are accelerating. And the increased emphasis on improving the agent/customer experience remains critical.

One of the most important things to explore in analyzing 2021 commercial line strategies is how the priorities differ for companies focused on the small commercial market and the mid/large markets. For example, both small and mid/large markets still seek growth through their existing products, channels, and markets. But insurers focusing on small commercial are more apt to seek growth through new lines and markets than those in the mid/large sector. Another example lies in distribution strategies, where small commercial is farther along in expansion plans, while insurers serving the mid/large segment are still in earlier strategy stages.

READ MORE: <https://bit.ly/2y3ZIDy>



CITIZENS UPDATE



2021 Form Changes



The Florida Office of Insurance Regulation (OIR) has approved updates to Personal Lines forms for policies with effective dates on or after February 1, 2021. The major updates are outlined below.

Managed Repair Contractor Network (MRCN) Program

The following changes apply to the Managed Repair Contractor Network Program endorsement (CIT 04 86 02 21 and CIT 05 86 02 21):

- During the claims process, policyholders now must sign a Program Consent Form (CIT CONSENT1 02 21) to participate in the program.
- In addition to current termination reasons, participation in the program is terminated if:
 - The policyholder does not sign a contract with the program contractor within 10 business days from the date the contractor delivers it.
 - Conditions are present that prevent repairing, replacing or rebuilding the property.
 - If there is a dispute regarding the completion of the contract, the policyholder can request an appraisal as described in the endorsement.

Application Changes

- Citizens has made changes to all applications by removing the binder section and replacing it with a new section called Insurance Coverages and Payment of Premium.
- Agents can access a new Evidence of Property Insurance (EOI) form, which can provide individuals proof of insurance when coverage is bound and not yet issued. In January, more details will be provided regarding application changes and the new EOI form.
- A prequalification and eligibility question statement has been added requiring the applicant to provide pertinent information about them and all limited liability corporation members, partners, corporate officers and/or association officers when completing the application on behalf of these entities.

For more information on these changes: <https://www.citizensfla.com/-/20201210-2021-form-changes>



The Voice of Independent Insurance Agents

Mentorship Program

Interested in becoming a mentor?

We would like to invite you to participate in sharing your time and knowledge while guiding entry level professionals in the industry.

**Stay tuned for more information coming
January 2021!**

WANT TO PARTICIPATE?

EMAIL US AT INFO@LAAIA.COM
OR CALL (305) 477-1442





INSPIRATIONAL CORNER

By Barry Sanders

Putting things into perspective is just as easy as letting them overwhelm you. Take a deep breath and always take the high road!

WE WOULD LIKE TO THANK OUR NEWSLETTER SPONSORS!





NEW MEMBERS

LAAIA Welcomes
Our Newest Members!

NATIONAL

Daniel Rojas
LLJ Risk Advisors, LLC

Leyanis Torres
All In One Insurance Solutions LLC

[CLICK HERE TO BECOME
A MEMBER HERE!](#)

*** During this special time we are making sure our members are getting valuable resources to be informed and get the necessary tools to navigate these difficult times. Remember the LAAIA is providing you :

Free webinars . Virtual networking . Providing you with Covid resources . Providing charitable donations . Engaging in legislative efforts

Remember your feedback is always welcomed and we would love to hear from all of you!