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How to Make Your Property & Casualty (P&C) Premiums Work for You!



By Joseph W Tucciarone, CEO National Network of Accountants

This is a reality for many companies. In fact, the banking, insurance, and financial industries often keep critical information hidden, which could help businesses make smarter decisions about risk management and insurance strategies.

Why continue paying astronomical property and casualty (P&C) insurance premiums—sometimes millions—when your loss claims over the last five years amount to less than 40% of that total? It doesn't make sense, yet many businesses still find themselves in this frustrating situation.

The Shift Toward Alternative Risk Solutions

In 2024, AM Best—a leading insurance rating agency—reported that over 50% of

businesses have turned to alternative risk solutions to balance their risk alongside traditional commercial insurance. Even more telling: 90% of Fortune 500 companies and 100% of the top 100 companies use captive insurance arrangements to manage their insurance costs.

Whether you're a Fortune 500 company or a growing small-to-medium-sized business, it's time to consider alternative options to traditional insurance strategies. The landscape is changing, and so should your approach.

The Flaws in Traditional Insurance

Let's break it down: you're paying for an insurance policy you *hope* you never need. But if you do file a claim, expect your premiums to rise when it's time to renew. It's a cycle that can feel like a trap.

I started my career as an engineer at Kennedy Space Center (yes, I'm a "rocket scientist"), but trust me, you don't need one to solve this problem.

Here Are the Facts:

- **80% of companies** experience only occasional or minor claims.
- Commercial insurance rates have been **rising for the last 24 quarters**.

- Many insurance agents aren't offering alternative solutions.
- **40% of commercial premiums** are consumed by commissions, fees, and administrative overhead.
- Banks, insurers, and financial advisors often have little incentive to help you reduce costs or maximize profits.

The Impact of COVID-19 on Insurance

The COVID-19 pandemic has radically altered the insurance industry, adding even more complexity. Were your claims properly covered in light of the pandemic? As 2025 progresses, commercial insurance premiums are expected to rise further, and some coverages may even disappear entirely.

At Kennedy Space Center, we were taught never to present a problem without at least two potential solutions. This mindset contributed to the success of America's moon landing. Today, we can apply that same problem-solving approach to your insurance strategy.

Take Control of Your Insurance Costs

Just like the big corporations have been doing for years, it's time for your business to take control of its insurance strategy. You don't have to passively accept rising premiums and restricted coverage. There are better options out there.

Exploring alternatives like **captive insurance** can give you additional control over your costs, coverage, claims, and profits—just as it has for many industry leaders.

At our firm, we offer the strategic insight you need to navigate today's unpredictable insurance landscape. We'll help you understand the disruptive forces driving the current market and guide you toward smarter, more efficient risk management solutions.

Ready to Take Action?

If you're ready to take control of your insurance costs and ensure that your strategy works for you, let's talk. For follow up and further information contact Susan @ slauletta@nnaplan.com. I'd be happy to send you a detailed report outlining tailored, actionable options for your business.



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