

# CASUALTY ACTUARIAL SOCIETY

## 2012 FALL MEETING

### Orlando, Florida

Susan J. Patschak, November 13, 2012



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# PERSPECTIVE FROM A CAT REINSURER



# OVERVIEW



- ▲ **As a property cat reinsurer what do we look for when:**
  - **Dealing with modeling companies?**
  - **Deciding to partner with an insurance carrier?**
- ▲ **As a company actuary what can be done better to:**
  - **Support the underwriters?**
  - **Convince reinsurers to participate on the company's treaties?**
  - **Assist finance & claims?**
  - **Help with external stakeholders (e.g. rating agencies, investors)**
- ▲ **As a consulting actuary:**
  - **What opportunities are out there?**

# INTERACTION WITH MODELING COMPANIES



- ▲ **Model updates & reasonability checks**
- ▲ **User friendliness**
- ▲ **Transparency**



# EVALUATION OF A CEDANT



## ▲ Management team

- Capabilities
- Controls

## ▲ Data

- % Geocoded
- Comparison to peer group
- Heterogenous risks

## ▲ Exposure

- Over-exposed in wind prone areas
- Pricing of high risk property

## ▲ Experience on attritional book



# EVALUATION OF A CEDANT (CONT.)



## ▲ Retention levels

- Commercial and Personal

## ▲ Cat model usage

## ▲ Broker of record

- Knowledge and expertise

## ▲ Submission/meeting the client

## ▲ Investor

- Who and how many?
- Commitment to insurance space



# INDISPENSABLE COMPANY ACTUARIES



- ▲ **Help the underwriters**
  - Analysis makes better decisions
- ▲ **Support ceded re department**
  - Differentiate the company
- ▲ **Integrate with finance & claims**
- ▲ **Assist external stakeholders**
  - Regulators/rating agencies



# INVALUABLE CONSULTING ACTUARIES



- ▲ **Become more business savvy**
  - Go beyond the numbers
- ▲ **Institute predictive modeling**
  - Homeowners
  - Claims
- ▲ **Identify new trends**
  - Sinkhole
  - Water Damage
- ▲ **Enhance data collection**
  - Additional marketing criteria

