



Growing Healthcare Miscellaneous Facilities

An Application Underwriting & Selling Case Study
Classification Validation for Accuracy and Results

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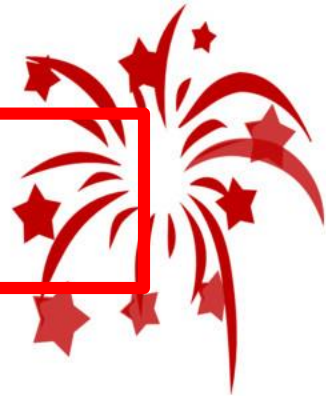
Meet AIG (Lexington) Healthcare

Hospitals

Physicians &
Surgeons

Residential Care

Miscellaneous
Facilities



U.S. Commercial P&C Marketplace

Sales per Company (AIG)		Companies	Employees	Sales (\$000)	All Lines Premium (\$000) (1)	All Lines Alternative Markets Premium Total 4 Lines (\$000)
Upper MAP: \$1B+	Employer Companies	3,587	47,757,629	19,050,397,698	45,574,287	72,832,419
Lower MAP: \$500M - <\$1B	Employer Companies	3,505	8,124,339	2,428,572,215	10,338,585	8,231,494
Upper CAP: \$300M - <\$500M	Employer Companies	4,565	5,785,538	1,745,507,068	8,624,818	4,417,030
Middle CAP: \$100M - <\$300M	Employer Companies	23,152	13,286,181	3,833,073,854	23,190,114	6,477,787
Lower CAP: \$25M - <\$100M	Employer Companies	95,131	17,395,102	4,500,970,228	34,038,437	4,263,749
Emerging CAP: \$10M - <\$25M	Employer Companies	163,291	11,272,161	2,514,025,903	22,609,638	1,608,384
SME: <\$10M	Employer Companies	6,281,106	40,956,107	6,032,288,296	77,027,617	753,727
	Totals:	6,574,337			221,403,496	98,584,590
SME: <\$10M	Self-Employed	26,391,862	26,392,051	1,522,857,250	29,306,420	

(1) = GL (Prem & Prod), Prop, BOP, Auto (Liab & Phys Dam), WC, Umbrella (\$1 Mil), Excess, Marine, Boiler, D&O, E&O, Med Mal, Fiduciary, EPLI, and Farmowners

Source: ISO MarketStance Commercial Insight 16.1

What Makes Up AIG (Lexington) Healthcare Miscellaneous Facilities?

SIC		AIG Inforce DB \$25M-\$500M	Medical Product Inforce DB \$25M- \$500M	DB Universe \$25M-\$500M
4119	LOCAL PASSENGER TRANSPORT SERVICES			50
4522	NONSCHEDULED AIR TRANSPORT SERVICE			37
5912	RETAIL DRUG STORE			62
8011	MEDICAL DOCTOR'S OFFICE			620
8049	HEALTH PRACTITIONER'S OFFICE			35
8063	PSYCHIATRIC HOSPITAL			44
8069	SPECIALTY HOSPITAL			120
8071	MEDICAL LABORATORY			64
8072	DENTAL LABORATORY			8
8082	HOME HEALTH CARE SERVICE			254
8092	KIDNEY DIALYSIS CENTER			18
8093	SPECIALTY OUTPATIENT CLINIC			216
8099	HEALTH/ALLIED SERVICE			177
8322	INDIVIDUAL/FAMILY SERVICE			514
8331	JOB TRAINING/RELATED SERVICE			110
8361	RESIDENTIAL CARE SERVICE			287
				2616

How Big Is the Healthcare Miscellaneous Facilities Universe?

ISO MarketStance
New Bus Insight

SIC		AIG Inforce DB \$25M-\$500M	Medical Product Inforce DB \$25M- \$500M	DB Universe \$25M-\$500M	M'stance NBI Universe \$25M- \$500M
4119	LOCAL PASSENGER TRANSPORT SERVICES			50	80
4522	NONSCHEDULED AIR TRANSPORT SERVICE			37	114
5912	RETAIL DRUG STORE			62	153
8011	MEDICAL DOCTOR'S OFFICE			620	1328
8049	HEALTH PRACTITIONER'S OFFICE			35	53
8063	PSYCHIATRIC HOSPITAL			44	86
8069	SPECIALTY HOSPITAL			120	152
8071	MEDICAL LABORATORY			64	121
8072	DENTAL LABORATORY			8	8
8082	HOME HEALTH CARE SERVICE			254	299
8092	KIDNEY DIALYSIS CENTER			18	20
8093	SPECIALTY OUTPATIENT CLINIC			216	378
8099	HEALTH/ALLIED SERVICE			177	202
8322	INDIVIDUAL/FAMILY SERVICE			514	441
8331	JOB TRAINING/RELATED SERVICE			110	179
8361	RESIDENTIAL CARE SERVICE			287	347
				2616	3961

Project Pathfinder Leads Universe

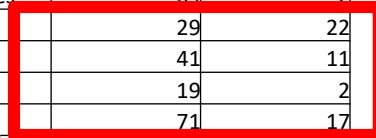
Healthcare Miscellaneous Facilities

Accounts
\$25M-\$500M

Accounts
over \$500M

SIC4	SIC4 Name	NAICS	NAICS Name		
4119	Other Local Passenger Transportation	621910	Ambulance Services	52	3
4522	Nonscheduled Air Transportation	621910	Ambulance Services	14	0
5912	Drug Stores and Proprietary Stores				16
8011	Offices and Clinics of Doctors of Medicine	621112	Office of Phycians, Mental Health Specialties	29	0
8011	Offices and Clinics of Doctors of Medicine	621491	HMO Medical Centers	47	7
8011	Offices and Clinics of Doctors of Medicine	621493	Freestanding Ambulatory Surgival and Emergency Centers	7	4
8049	Offices and Clinics of Health Practitioners, N.E.C.			44	2
8063	Psychiatric Hospitals (Including Government)			71	3
8069	Specialty Hospitals, Except Psychiatric (Including Government)			173	17
8071	Medical Laboratories			119	4
8071	Medical Laboratories	621512	Diagnostic Imaging Centers	27	2
8072	Dental Laboratories			11	0
8082	Home Health Care Services			271	29
8092	Kidney Dialysis Centers			27	3
8093	Specialty Outpatient Facilities, N.E.C.			279	9
8099	Health and Allied Services, N.E.C.			257	13
8322	Individual and Family Social Services	624110	Child and Youth Services		1
8322	Individual and Family Social Services	624120	Services for the Elderly and Persons with Disabilities		1
8322	Individual and Family Social Services	624190	Other Individual and Family Services		4
8322	Individual and Family Social Services	624210	Community Food Services		1
8322	Individual and Family Social Services	624221	Temporary Shelters		0
8322	Individual and Family Social Services	624230	Emergency and Other Relief Services		1
8331	Job Training and Vocational Rehabilitation Services			141	0
8361	Residential Care	623312	Assisted Living Facilities for the Elderly	24	0
8361	Residential Care	623990	Other Residential Care Facilities	91	0
8361	Residential Care	623220	Residential Mental Health and Substance Abuse Facilities	64	2
8731	Commercial Physical and Biological Research			29	22
8733	Noncommercial Research Organizations			41	11
8734	Testing Laboratories			19	2
5047	Medical, Dental, and Hospital Equipment and Supplies			71	17
Total				1908	174

New



MedPro Indicator

Project Pathfinder

The Challenge: Growing Healthcare Miscellaneous Facilities

Phase One: Establish Account Universe



- 14 SICs and 9 NAICs, plus use of U.S. Economic Census Product Names (Includes: Home Health Care, Ambulance Services, Medical Laboratories, etc.)
- Accounts within revenue bands \$25M - \$500M, and over \$500M (ISO Marketstance Methodology)

Account Universe: 1908 (\$25M-\$500M)

174 (over \$500M) *Note: All accounts include D&B Indicator (i.e. DUNS).*

Phase Two: Create Project Pathfinder Universe

- Hand selected >\$500M Accounts (33 accounts). Filtered universe to include AIG submission matches only.
- From present 1041 Accounts, eliminated Med Prof inforce and accounts <\$80K projected premium.
- Determined capacity (4 Zones + National Branch = 13 UWs). Lead emphasis on multi-state accounts.

Project Pathfinder Universe: 720 Account Leads

Strategy One

Zone Vetting/Targeting

- 6 Deliveries every two months
- 90/120 days before effect date
- Salesforce Campaign for leads assignment and vetting
- Salesforce Dashboards for KPIs and tracking

Goal: New Business Premium

Strategy Two

Additional New Business Leads

- Identify other targets while vetting account leads. Add new business leads to Project Pathfinder Campaign.

Goal: New Business Premium

Strategy Three

Work the Orphans!

- 991 unmatched accounts
- UWs choose select brokers.
- Select ISO Marketstance data shared with broker.
- Orphan marketing collateral with UW and broker contacts

Goal: Enhanced Sales Culture

Project Pathfinder: Growing Miscellaneous Facilities

Phase Two: Creating the Project Pathfinder Universe

ISO/MarketStance Data

- Sales Figures
 - Segmented by < \$500K & > \$500K
- Medical Professional Projected Premium
 - Segmented by < \$80K & > \$80K
- Revenue % per SIC
- Revenue % per State
 - Eliminate accounts with exposure in undesired states
 - Prioritize accounts with multi-state exposure in desired states



AIG Data


- DUNS ties account back to AIG CRM system (2007 – 2016)
- Eliminate current Medical Professional inforce accounts
- Match account leads with submission history
- Pull in Broker and Client Engagement contacts



The New Business Insight Advantage

(for AIG/Lexington Healthcare Miscellaneous Facilities)

- **D&B Numbers (DUNS)**
- **Conversion of SICs to NAICs**
- **ISO/MarketStance Revenue Methodology**
- **Medical Professional Projected Premium**
- **Use of Product Names**
- **Multiple SICs Reporting Capabilities**
- **Multiple State Reporting Capabilities**
- **All Lines Premium for Orphan Account Strategy**
- **Economic Indicators at Account Level**
- **State, Metropolitan Area (MSA) and County**



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