

In the Field



EASTERN REGION

MARCH 2016

Regional Claims Managers Bring New Perspective

By Darci Simonsen, National Claims Manager

Adding structure to the claims reporting process, balancing the reporting workload more efficiently, and generating new ideas—all among the reasons that Matt King, Tyffany Basila and Glenn Anderson were recently named regional claims managers for ProAg®. In the process we have positioned our company to better handle future business.

Tyffany, Glenn and Matt have all worked in the crop insurance industry for some time, and they bring diverse experience in loss adjusting, underwriting, claims processing, compliance and information technology. That mix of experience was intentional, since they will be working together and using their talents to create more uniform processes throughout the claims department.

This is also a group that will bring fresh ideas and is in tune with technology.

Impact in the field

One goal associated with this change is to work smarter and more effectively, which will benefit our agents and insureds by further stepping up the efficiency of our claims processing. We're already seeing service improvements as we work to streamline processes and

allow our people to concentrate their time on customer service.

Technology is playing an ever-greater role in our business, both at ProAg, with our agents, and also with our insureds. Finding new ways to utilize technology to improve accuracy and efficiency will be a continuing emphasis for us, while at the same time making sure we don't lose the face-to-face presence that sets us apart from others in the field. Technology can never replace good communication and direct human contact.

Ultimately, we want to eliminate barriers that can hinder productivity, share resources and take advantage of the strengths of each of our team members. Our claims processing department is already known for its efficiency. Our new claims managers are committed to bringing new approaches and tools into play to build on that tradition.

I'll let Matt King, Eastern Claims Manager, tell you a little about himself and share some of his thoughts on his new position.

Matt King

I've worked in agriculture all of my life, growing up on a family farm near Radnor, Ohio, and still farming it with my brother and step-father today. I got started in crop insurance as an adjuster

in 2007. I was just out of college and needed a part-time job to supplement my farm income.

I came to ProAg in 2009, working as the product specialist for the claim system in general and ProAgWorks® and ProAgFieldWorks specifically.

Working closely with our claims

processing system for more than three years has given me a perspective on what it takes to move claims through the system and helped me understand how to maximize efficiencies with that system. In the future, we'll definitely be using more technology.

In contrast to my focus on technology is my background as an adjuster and my ongoing connection with farming and farmers. I understand the human side of the equation and the importance of relationships in the claims process.

As we move forward with a new team, we have the chance to build something new on a really solid foundation. I'm excited about this opportunity.

Editor's note: Matt and his wife, Gina, have two daughters, Mya and Reagan.



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New Group Multiplies Individual Impact

By Jamie Hageman, Customer Account Services Manager

Improving processes and gaining efficiency—all for the benefit of our customers—was the impetus behind the creation of the Customer Account Services group last spring. Customer Account Services brought the crop accounting, claims processing and training departments together under one banner.

Crop accounting and claims processing have natural connections, but their workloads peak at different times. By bringing them together, we can take advantage of down times within each group, which helps speed up our claims and accounting processes.

How does the training department fit in? First, we're able to draw on the experience of the crop accounting and

claims processing experts to improve our agent and employee training. In addition, we're also conducting cross training within the Customer Account Services group to expand their knowledge base and make each team member more versatile and useful during slower periods.

Though the departments have come together, key points of contact remain the same. Jeanie Bonewitz is still the crop accounting manager, and Derek Eltiste still manages the claims processing department. If you have a question for the training department, the best way to connect is to send an email to training@proag.com. The team member most qualified to answer your particular question will get back to you. 🌾

On-Demand Training Resources

Looking for easy-to-access training on a variety of relevant topics? Look no further than ProAgPortal® intranet. We have a variety of video and audio resources there to make your job easier. Some provide a greater understanding of crop insurance and procedures, while others offer guidance on how to process business in the various ProAg systems. Most are found under the Systems tab in ProAgPortal with the exception of the Crop Insurance Basics series, which is found under Quick Links, then Video Recordings.

We also offer courses that qualify for CE hours, such as our APH course. Contact your ProAg account representative to access these trainings.

Process Perfection the Goal of TOPE Team

By Terri Sell, Senior Vice President of Operations

If there was ever a business that lives and dies by process, crop insurance is that business. Since we understand the importance of uniform, efficient processes to the success of ProAg® and our ability to accommodate growth in the future, we formed TOPE in 2013. TOPE stands for Team of Process Experts, and the team is composed of one representative from each ProAg department.

Our goal is to create and maintain uniform, national processes that make sense for our end users. This is an ongoing assignment as we receive new directives from the RMA and feedback from agents, adjusters, and other team members. TOPE meets quarterly, with an annual face-to-face meeting in Kansas City.

The TOPE processes are designed to work smoothly with our ProAgWorks® processing system. Whenever a user has

questions about any of our procedures, they can refer to these processes through ProAgPortal under the Processes tab.

Not only does the TOPE effort improve our processes and increase efficiency and accuracy, but it is also extremely helpful when the RMA conducts its national operation reviews. For example, when we are asked about our added land process, RMA can look at all of our customers with an added-land policy and determine how well we followed our procedure on those policies.

Constant improvement

Once processes have been written, TOPE re-evaluates them on a regular basis to ensure that they are up to date, that they work, and that they are as easy to follow as possible. When updating our processes we

use the Six Sigma process, a methodology that originated in the manufacturing sector and has now made its way into the business world.

Following this methodology helps us to analyze our processes with the goal of eliminating the waste. The result is an elimination of extra steps, increased efficiency, cost savings and a happier end user. The TOPE members are trained in the Six Sigma process, and each team member meets with their department regularly to analyze all the processes that impact them specifically.

Efficient, effective, streamlined and understandable processes are important to our office staff, our force in the field and our agents. That's why our TOPE team will continue to focus their efforts on process development, analysis and refinement. 🌾

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Where Does Whole Farm Revenue Fit?

By Jeffrey Vanlandingham, Regional Vice President – Eastern Region



Since the completion of our 2016 Spring Update Agent Training efforts earlier this year, we have seen a significant surge in interest for the Whole Farm Revenue Protection program. Those who have not considered this model of risk management are now carefully examining this option due to their ability to secure total revenue dollars for all planned commodities (within the limits of the policy) at higher levels of governmental subsidies.

In addition, there is the possibility of further discounts and rate relief due to the number of significant commodities and actuarial history for crops rated within the coarse grains and small grains categories.

As we review aspects of this policy, we must continue to focus on and discuss the following benefits and challenges:

Major benefits of WFRP

- Gives producers a means to insure a wide variety of crops and livestock products that have not been insurable.
- Provides coverage that reflects higher values for specialty markets, such as for unique varieties, organic products, seeds and grass-finished or humanely produced livestock products.
- Provides higher levels of coverage and federal support for premium costs, similar to conventional crop insurance products.
- Offers potentially reduced costs for insurance, based on diversification discount and the ability to mix and match WFRP coverage with other insurance products.
- Reduces the risks of trying new crops or livestock products.
- Eliminates written agreement and high-risk land concerns regarding insurability requirements and higher rate impact.

- Improves insurance options for rapidly expanding operations.

Major challenges with WFRP

- Requires extensive recordkeeping for application and claims, though the requirements have been eased somewhat in the program's second year. High levels of diversity make application paperwork and recordkeeping especially challenging. However, the change to allow producers to use marketing records to calculate revenue, along with new recordkeeping aids, could help make the program more viable for many.
- Requires producers to provide five years of tax history in most cases. Even for beginning farmers and others who qualify for some exceptions, the tax history requirements may be an obstacle.
- Requires the grower to finalize and file their Schedule F and entire tax document for the year of coverage before any claim indemnity (other than replant) may be completed and paid to the grower.
- Individual commodity yield and revenue expectation is redirected to the performance of all revenue produced by the grower during the insurance period.
- Prohibits use of "catastrophic" level (CAT) risk-protection coverage in conjunction with WFRP.

As with all risk management decisions, education and understanding are key when discussing these options with your grower. Since the program's introduction in November of 2014, ProAg's focus as your valued partner has been to provide the tools necessary for the agent and grower to make the best risk management decision for each individual situation. Thank you for your valued business relationship! 🍀