



CASE STUDY

Analysis Post Acquisition Leads to a More Efficient, Consolidated Program

Property & Casualty



The Request

Consolidate multiple risk financing programs after significant merger activity

Company Profile

Industry: Healthcare
Employees: 70,000+
Locations: 1,400
Revenue: \$10B+

Request

A large healthcare organization acquired three major competitors over 36 months. Post-merger, they had four underperforming and distinct risk financing programs for Medical Professional Liability – one off-shore captive, one domestic RRG, one Self-Insured Trust, and one sizeable deductible program. Each program utilized separate brokers, actuaries, and captive managers. They needed strategic advice to consolidate these programs and optimize a new program to move them forward efficiently and effectively.



The Solution

Thorough analysis of all costs and programs associated with the combined organization



The Results

Reduced captive expenses and new strategy to boost limits available to all merged entities

Solution

Brown & Brown uncovered the opportunity to free up over \$30 million of trapped capital in their risk financing programs. We analyzed every element, claim, and cost associated with the program and the business from top to bottom. A segregated cell captive was recommended for the combined organization.

Results

Brown & Brown demonstrated that annual operating captive expenses would be reduced by over \$300,000 once the consolidation is completed. We dug in deeper and examined the excess insurance and reinsurance programs, laying out a strategy to boost the limits available to all merged entities while eliminating their clash claim exposure. Even while achieving these significant enhancements, we uncovered unnecessary carrier premium payments of \$2.3 million through the implementation of a consolidated program strategy.



How Brown & Brown Can Help

Connect with our Brown & Brown team to learn about our knowledge in your industry, how we build our risk mitigation strategies and how we can aid your business in building a cost-saving property & casualty program.



Find Your Solution at [BBrown.com](https://www.BBrown.com)

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