



Nationwide Specialty Insurance New Program Submission Checklist

Reference guide with the required data necessary to analyze a new program and expedite the submission process

This checklist is intended as a basic review of your program in its current state. It will help us determine if further discussion is warranted.

General company and program information

Requirements

1. **Company overview**, including but not limited to:

- Company location(s)
- Ownership structure (private or public)
- Years in operation
- Biographies of key employees/officers
- Employee count and organizational structure
- Company products
- Company services
 - Underwriting, reinsurance, actuarial, compliance, sales, marketing, policy issuance, premium collection, claims, customer service
- If no to any of the above, specify who provides the service(s)

2. **Program information**, including but not limited to:

- Overview of opportunity
 - Startup or book roll?
 - Current premium size
 - Target product(s)
- Current expense structure (out of 100%)
 - Program manager fee, third-party administrators and claims administration fees, producer commissions, carrier fee, premium tax, target loss ratio, target profit margin; profit sharing arrangements, if applicable
- How is the product filed?
 - Admitted or nonadmitted
 - Individual, group, association or trust
- Desired effective date
- Current program carrier(s), years with the carrier(s), and the reason for searching for a new carrier
- Percentage of the business that is sold through each of these channels
 - Direct, MGA, brokers, web, other (e.g., trade groups/endorsements)

- Details on major competitors
- Company's competitive advantages
- Underwriting platform
- Market intelligence
 - Competitor forms
 - Loss data
 - Size of the market
- Pro-forma financial information of most recent three to five years

3. Marketing/future sales assumptions

- Projected growth plan over the next three to five years
- Assumptions and drivers to support growth plan
 - Target markets (e.g., states, industries/types of consumers, etc.)
 - Distribution
- How would Nationwide fit into your marketing strategy?

Additional data required

For each of the items listed below, provide five years of data if available. It is important to obtain the most data possible to properly evaluate an opportunity. However, a startup will not have this information, and a more established book roll may have a longer history.

Requirements

1. **Premium data**—at a policy coverage level

- Written and earned premium by treaty year and calendar year

2. **Loss data**—by transaction date

- Loss triangles
- Loss type
- Incurred losses
- Paid losses
- IBNR
- Coverage

3. **Redacted detailed policy data**

- Written premium
- Policy effective/expiration date
- State
- Retention/deductible
- Limits
- Coverages
- Losses

4. **Rating**

- Current underwriting guidelines/rules manual
- Rate change history: percentage of change, effective date, coverage

5. **Industry data**

- Trends in coverage types
- Loss trends
- Hard/soft market
- Resources

Full evaluation phase

Once the required data information is received and reviewed and an initial meeting is conducted with Nationwide Specialty Insurance's business development unit, the team will move into a full evaluation phase.

This includes the following steps:

- Actuarial analysis—including, but not limited to, assessment of current loss ratio, evaluation of current rates and determination of targeted loss ratio
- Financial analysis
- Form review and determination of any policy and/or rate filing needs
- Determination of the management of each front and backend process
- Agreement on economic structure