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# Texas Mutual<sup>®</sup> Insurance Company

# Mutual Interests

Winter 2011

A Special Section for Agents

## Reap the Benefits of Group Coverage

**W**orkers' compensation safety groups offer good opportunities for agents and their clients to get ahead. Employers who join a safety group underwritten by Texas Mutual can improve their safety programs, get discounts on their workers' compensation premiums and earn potential dividends. Agents can leverage safety groups to attract new clients and retain existing clients.

"Insureds love Texas Mutual, and agents love happy insureds," said Gina O'Hara of ANCO Insurance. "Safety groups are part of that. This is about retention, and once a company is in a safety group, they don't want to leave."

Most safety groups offer premium discounts between 10 and 11 percent. Members may also qualify for group and individual dividends, if declared by Texas Mutual. This year, safety groups underwritten by Texas Mutual earned a combined \$15 million in group dividends. Group dividends are based largely on each group's overall loss ratio.

Texas Mutual offers free resources that help safety groups achieve and maintain good loss ratios. We have assigned each group a safety professional with experience in their respective industry. Members also benefit from free safety materials hand-selected for their operations.

To access the materials, group members should log into the safety resource center at [texasmutual.com](http://texasmutual.com). The system will direct them to their group's custom home page.

Texas Mutual underwrites safety groups representing a range of industries, including, but not limited to, health care, construction, restaurants and manufacturing. Any licensed Texas agent can submit qualifying clients for consideration in safety groups.

"We want model policyholders participating in safety groups," said Ken Lauber, Texas Mutual vice president of field operations. "If you have clients who understand the importance of preventing workplace accidents and maintaining good loss ratios, submit them for group consideration."



**"Insureds love Texas Mutual, and agents love happy insureds. Safety groups are part of that. This is about retention, and once a company is in a safety group, they don't want to leave."**

—Gina O'Hara, ANCO Insurance

By joining forces with like-minded policyholders, they will reap the benefits of group coverage."

Two of our newest group offerings are the Texas Church Group (TCG) and Texas Alliance of Energy Producers (NTO). TCG is open to qualifying nonprofit, faith-based organizations operating houses of worship, such as churches and

synagogues. NTO is open to qualifying businesses in the oil and gas production industry.

For a list of safety group opportunities, visit [texasmutual.com/agents/group.shtm](http://texasmutual.com/agents/group.shtm). The site includes our downloadable "Group Advantage" brochure, a convenient desktop guide to safety groups. To request a hard copy, email [publicaffairs@texasmutual.com](mailto:publicaffairs@texasmutual.com). ★



## Meet an Agency Representative: John Williams, CPCU

People who do business with mutual insurance companies enjoy benefits they don't get in their other business relationships. Most notably, mutual insurance companies are owned by the policyholders who spend their hard-earned money on premiums.

John Williams understands the benefits of partnering with mutual companies. During his 31-year career, he has worked for Lumbermen's Mutual and Wausau Insurance Company.

Today, John is an agency representative who serves as the face of Texas Mutual in Dallas, Fort Worth, Waco and El Paso. Thriving in today's competitive market is the biggest challenge for the agents John works with. He is more than happy to tell them how to get ahead by taking advantage of Texas Mutual's agent tools.

"We start by offering a competitive price," said John. "For their money, our policyholders get outstanding claim, loss prevention and audit services. We also offer a health care network, a zero tolerance for fraud policy and safety groups. And our dividend track record is known industry wide."

Texas Mutual has paid more than \$1 billion in dividends since 2000. John's customers use dividends to attract and retain good business. For Texas Mutual, dividends are one more way to differentiate ourselves in a crowded workers' comp market.

"Texas Mutual is committed to being the best of the best," said John. "That commitment shows in the quality of our services and our people. It is a pleasure to represent such a fine company in the agent community."

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## Ken's Corner By Ken Lauber, VP of Field Operations



### Financially stronger than ever

In February, I'll celebrate a decade of service at Texas Mutual. During my tenure, I've had the good fortune of meeting independent agents from across the state. If I've left you with one impression, I hope it is this: I tell it like I see it.

The way I see it, the economy and the competitive workers' compensation market have been tough on everyone. Texas Mutual has not been immune. But despite all of the challenges we have faced, we are financially stronger than ever. More importantly, we're here to serve you and your clients.

Our corporate communications and financial services teams are working hard on our 2011 annual report. Although year-end numbers are not quite in the books, I assure you 2011 will go down as another successful year for Texas Mutual.

We anticipate writing more than \$700 million in premiums this year, compared with \$609 million in 2010. We attribute much of the increase to growth in our in-force policies.

Written premiums are not the only aspect of our business that is growing. Our market

share has grown from about 28 percent in 2009 to 33 percent in 2011. Thanks to your trust in our company and its mission, we remain Texas' leading choice for workers' compensation insurance.

We were thrilled to share our financial success with our policyholders through our 2011 dividend programs. Approximately 38,000 policyholders earned a share of our \$155 million dividend distribution. Many earned additional dividends as members of safety groups.

### Since 2000, Texas Mutual has distributed more than \$1 billion in dividends to qualifying policyholders.

Since 2000, Texas Mutual has distributed more than \$1 billion in dividends to qualifying policyholders. Our dividend track record is a testament to our financial strength. It is also evidence of our vested interest in your clients' success.

Some national carriers have announced plans to scale back their books of workers' compensation business. If they do, you can trust that Texas Mutual will still be here for you and your clients, regardless of market or economic conditions. You can also trust that we have the financial strength to keep that promise. ★

## John Williams

continued from front page

### Off the clock

- **Roots.** I was born in Alexandria Bay, NY.
- **First job.** I delivered newspapers on my bicycle.
- **Home.** I live in Bedford. I like how close it is to Dallas and Fort Worth, but the roads do get a little congested.
- **Family.** Dianne and I have been married 29 years. I have two stepchildren, Glen and Lilly Olson.
- **Interests.** I enjoy watching sports, collecting stamps, and playing golf and fantasy baseball.

### Web extra

Log into the Agent Gateway at [texasmutual.com](http://texasmutual.com) to read about Nathan Rudolph, our account executive in Lubbock. ★

## Announcements

### Jeff Lentz on the move

Congratulations to Jeff Lentz, Texas Mutual's new vice president of underwriting. Jeff has served as manager of underwriting and marketing in our Dallas regional office since 2004.

In his new role, Jeff is responsible for directing underwriting policies and procedures, file reviews and strategies for enhancing the profitable growth of safety groups underwritten by Texas Mutual.

### Early-qualifier dividends reward new policyholders

In early November, Texas Mutual Insurance Company distributed about \$1.5 million in early-qualifier dividends among approximately 2,800 new policyholders. To be considered for eligibility, a policyholder must have met the following minimum standards:

- Must have had a policy in force with the company on Oct. 15, 2011
- Must have had a first-year policy that expired between Jan. 1, 2011, and June 30, 2011
- Loss ratio must have been in an acceptable range

Dividends are a good tool for attracting and retaining good business. Remember that you can visit [texasmutual.com](http://texasmutual.com) to get dividend marketing materials and review your clients' dividend histories.

### New policy process reduces your administrative burden

Texas Mutual partners with Argonaut Insurance Company to offer other states coverage for our policyholders. Until now, agents have received their clients' Texas Mutual and Argonaut policies separately.

Texas Mutual has streamlined the process and reduced your administrative burden.

In most cases, agents will now receive a single envelope that will include the Texas Mutual and Argonaut policies, along with an invoice summary for both premiums due.

### TDI announces new average weekly wage

The Texas Department of Insurance, Division of Workers' Compensation has set the average weekly wage (AWW) for dates of injury between Oct. 1, 2011, and Sept. 30, 2012, at \$787.47. The maximum weekly benefit rate is \$787, and the minimum weekly benefit rate is \$118.

The AWW, maximum weekly benefit rate and minimum benefit rate for dates of injury between Oct. 1, 2010, and Sept. 30, 2011, were \$766.34, \$766 and \$115 respectively.

### Get news delivered to your inbox

We offer two convenient ways for agents to keep up with company and industry news.

Texas Mutual Agent News, shown at right, is our monthly email newsletter for agents. To sign up, visit the Agents section at [texasmutual.com](http://texasmutual.com), and click on E-newsletter in the left-hand navigation bar.

If you want more timely news, register to follow us on Twitter at [twitter.com/texasmutual](http://twitter.com/texasmutual). ★



**Past dividends are not a guarantee of future dividends.  
The Texas Department of Insurance must approve all dividends.**

Mutual Interests is published three times a year by Texas Mutual Insurance Company.

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Is there a subject you would like to see covered in Mutual Interests? If so, please direct your suggestions to David Wylie at [dwylied@texasmutual.com](mailto:dwylied@texasmutual.com).

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Texas Mutual Insurance Company supports drug-free workplaces. They are safer for employees and more productive for employers. We use random drug testing of all Texas Mutual employees who regularly travel on company business. Although this process may cause occasional scheduling conflicts, we hope you will support our efforts to keep Texas Mutual Insurance Company a safe and drug-free workplace.

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