

The Insurance Library Association of Boston Saval Insurance Education Center

156 State Street
Boston, Massachusetts 02109
Telephone 617-227-2087 Fax 617-723-8524

www.insurancelibrary.org

Newsletter

Volume XV, Number 1: Fall, 2003

Annual Meeting, 2003

The 116th Annual Meeting of The Insurance Library Association of Boston will be held at 156 State Street, Boston, Massachusetts at 8:30 AM on Tuesday, November 25, 2003. Light refreshments will be served prior to the meeting beginning at 8:00 AM. All members of the Association are invited and encouraged to participate in this event.

The reports of officers and committees will be enlivened by the announcement and recognition of outstanding students including the 2003 winners of the *Frank W. Humphrey Award* and the *Barbara Thornton Award*.

The second page of this newsletter includes an agenda for the meeting and a proxy form for those of you who cannot join us on the 25th, but want to ensure that business is conducted as they would like. You can let us know that you will attend by returning the form via mail or fax (617-723-8524), by calling us at 617-227-2087 or by e-mailing to jlucey@insurancelibrary.org.

Award Winners

This Insurance Library Association of Boston takes great pleasure in the recent institution of the annual *Insurance Professional of the Year Award*. Made possible by the establishment of the

Richard B. Simches Fund, this award is presented to people who demonstrate leadership and exemplify those qualities that engender understanding of and respect for the insurance industry. The 2002 and 2003 recipients of this award are both outstanding individuals—and it's not just we who think so! Some 300 people gathered at the Four Seasons in Boston in September of 2002 to honor recipient *William F. Hofmann, III* and in October of 2003 to honor *John B. Connors*.

2002 Insurance Professional of the Year William F. Hofmann, III of Provider Insurance Group (right) with library Trustee Josiah Hatch

2003 Insurance Professional of the Year John B. Connors

To Members:

In accordance with Article V of the by-laws, as adopted at the Annual Meeting of the Association held November 21, 1985 and in compliance with a date and place designated by the Trustees, notice is hereby given that the Annual Meeting of the Association will be held at the Insurance Library Association of Boston building at 156 State Street, Boston, Massachusetts on **Tuesday, November 25, 2003 at 8:30 AM.**

The order of business will be:

1. Calling of the roll
2. Reading of the record of the previous meeting
3. Reports of officers and committees
4. Unfinished business
5. New business
6. Election of Officers and Trustees
7. Adjournment

If you plan to come for breakfast (8:00 AM) and meeting (8:30 AM), please return the reservation form which follows on this page by mail or fax (617-723-8524) or call us at 617-227-2087.

If your company or firm is a corporate member of the library, you receive this newsletter as the designated contact person. You are of course welcome at the meeting, but you may certainly send someone else as your company's representative: just identify your representative on the proxy form below

If you cannot attend the meeting, please complete and return the proxy form at the bottom of the page.

RESERVATION I plan to attend _____ the breakfast and meeting
_____ the meeting only

Sign here _____

(Please print or type your name and company affiliation below your signature)

PROXY Know all men by these presents that the undersigned hereby constitutes and appoints Daniel J. Johnston, Gerard McDermott, David Brussard, Josiah D. Hatch, III or _____ (please print name) as Attorney for and in the name of the undersigned, to act at the Annual Meeting of The Insurance Library Association of Boston, to be held in accordance with notice received at 156 State Street, Boston, Massachusetts, on Tuesday, November 25, 2003 at 8:30 AM and at any adjournment thereof, with all the powers of the undersigned if personally present.

Date _____ Member sign here _____

(Please print or type your name after your signature)

More Awards

Maurice H. Saval established the **Frank W. Humphrey Award** in 1982 to honor his mentor in the insurance business. Since that year, many worthy winners have used the knowledge they gained through studying property and liability insurance principles with instructor Joe Sciacca for the benefit of their employers and customers alike. The 2003 winner of the Frank W. Humphrey Award will be announced and recognized at the annual meeting on November 25th.

Instructor Joe Sciacca with 2002 Humphrey Award
Winner Susan FitzPatrick of William Gallagher
Associates

The Trustees established the **Barbara Thornton Award** in 1992 to honor Ms. Thornton's outstanding contributions to the Insurance Library Association of Boston and to the risk management community. The chance to meet and congratulate the winner of the 2003 Barbara Thornton Award is yet another reason to attend the November 25th annual meeting!

2002 Thornton Award Winner Helen Kavanagh (second
from right) of Lend Lease Corporation with instructor
Ed Katersky and Barbara Thornton

And More Educational Opportunities

You can soon expect to receive a Winter-Spring 2003 course schedule in the mail. In the meantime, there are still several classes previously advertised that have not yet begun—the best place to look for these is on our website at www.insurancelibrary.org. They include Introduction to Claims, Introduction to Underwriting, and a Saturday review class for CPCU-540, “Business & Financial Analysis for Risk Management and Insurance Professionals” (previously CPCU-8). The website is usually updated before the mailing goes out, so it never hurts to keep any eye on it. One new offering of especial interest is “Fundamentals of EPL: An Introduction to Employment Practices Liability” which will be scheduled in January.

Questions From This Quarter (and what we found for answers)

Q: *My father is currently embroiled in a case involving a Massachusetts auto insurance policy, and he keeps hearing the word “stacking” used in discussions. Can you send me something about what stacking is, and how it is handled in Massachusetts?*

A: Several sources in our collection were useful for this consumer. What seemed best were sections from the treatise *Automobile Liability Insurance 3rd* by Irvin E. Schermer (Clark Boardman Callaghan). His general explanation of the concept of stacking was quite useful. In another section, he addresses the status of stacking state by state. For Massachusetts, he indicates that “Effective January 1, 1989, an amendment to the Massachusetts act prohibited both *intra* and *interpolicy* stacking, and cites relevant cases.

Q: An attorney at my law firm is interested in knowing about the status of “any willing provider” laws in the various states, particularly as they relate to pharmacy plans. Can you send something summarizing the situation?

A: The April 7, 2003 issue of BestWeek included an article entitled “Supreme Court Turns Aside ERISA Challenge to HMO Law”. It described a Supreme Court decision upholding a 1994 Kentucky law that requires health maintenance organizations “to accept any doctor who is willing to work under the HMO’s terms and conditions”. Included with the text of the article is a graphic display—a map of the United States with each of the states color-coded to indicate their status regarding any willing provider laws. A note says “as of December 31, 2002, seven states had adopted provider laws, while 16 states have enacted similar measures for pharmacy”. We offered to check for any state changes since the article’s publication, but apparently this was sufficient for the attorney’s purposes.

Q: We are concerned about the rate of turnover among our employees and would like to benchmark against other insurance companies. Can you provide any statistics that might help us to do this?

A: An Internet search facilitated access to the December 2, 2002 issue of *hrbenchmarks*, published by the Employment Policy Foundation. In that issue was an article entitled “Employee Turnover—A Critical Human Resource Benchmark”. The EPF President’s summary of the article asserted that “Companies need timely and reliable turnover benchmark data to gauge their retention and staffing performance and to plan effectively...With an average annual turnover benchmark of 23.8

percent, a Fortune 500 company with 40,000 employees faces turnover costs of \$119 million per year Every one percent reduction saves \$5 million”. Although insurance was not one of the industries specifically studied, the finance category seemed close enough to be truly useful.

Q: Please let me know if Leatherby Insurance Company is still solvent, and whether it is a subsidiary of any other company.

A: This company became known as Western Employers Insurance Company in 1977, and was officially liquidated in 1991. We often trace insurance companies to their current incarnations or document their demises for consumers and industry people alike. It’s generally much more satisfying to provide current contact information for an on-going company, especially for consumers with life insurance policies on the lives of deceased relatives.

Q: Can you find information about the use of insurance as a theme or background in fictional media—both literature and film?

A: Once we began thinking about this, we came up with quite a few on our own. We felt more “official”, though, providing published materials. They included “*The Silver Screen’s Seven Most Endearing Claims Adjusters*” (*Claims Magazine*, December 2001), “*Now Showing: Hollywood’s Portrayal of Insurance Receives Mixed Reviews*” (*Best’s Review*, March 2002), and “*Finding New Gems of Insurance Genre*” (*Business Insurance*, July 29, 2002). If only this person had asked about music, I was poised to mention BB King’s blues song lyric that says that the life insurance man who visits his wife too often “*needs a policy on himself*”.