The Risk Retention Reporter

The Authoritative Journal for the Risk Retention Marketplace

VOLUME 35, Issue 9 September 2021 Karen Cutts, J.D. *Founding Editor*

Catching Up on Purchasing Groups with Dan O'Leary

Purchasing groups were authorized by Congress along with risk retention groups under the *1986 Liability Risk Retention Act*. Unlike risk retention groups, purchasing groups are not insurance companies. Instead, the purchasing group vehicle allows members with a similar risk profile to purchase liability coverage on a group basis. The purchasing group also makes it easier for its members to purchase coverage from non-admitted and surplus lines carriers.

Due to purchasing groups not being risk bearing entities themselves, reporting requirements for PGs are laxer than they are for risk retention groups. This had made it challenging to pin down the exact number of active purchasing groups and to get a handle on how much premium flows through purchasing groups.

Even so, purchasing groups run into similar issues as risk retention groups regarding interactions with non-domiciliary states, such delays in registration approval and additional documentation requests not required under the *Liability Risk Retention Act*.

The *Risk Retention Reporter* spoke with Daniel V. O'Leary, Jr., Of Counsel at **Mandell Menkes LLC** and a long-time leader in PG formations, to get an update on what's happening in the purchasing group space. The conversation touches on the benefits of the purchasing group vehicle, the process of registering purchasing groups, and how the purchasing group industry differs from the risk retention group industry.

Risk Retention Reporter: You're a long-time leader in new purchasing group formations. From your perspective what are the key benefits of the purchasing vehicle?

O'Leary: Judging from the more recent PGs that I've registered, it's a marketing impetus. There appears to be a desire on the part of the broker to market via the internet. First, the broker has me register the PG in all states. Then, the broker sets up a website that allows an applicant to click on the required coverage, the limits it requires, and then click to pay the premium. Several of my most recent PGs were apparently established for that purpose.

Spot Excess P.G., which is an excess program for the transportation industry, allows a trucker to purchase an extra million dollars in coverage for a particular trip, simply by utilizing the website. So, marketing via a website is a key consideration.

In addition to marketing, another impetus is that the broker wants to develop a niche line of coverage, such as my veterinary PG, **Veterinary and Animal Services Purchasing Group**, or my PG offering coverage to "Farmer's Markets," **FM&V Purchasing Group**. Another example is **GGP Tenants Purchasing Group**, which offers coverage for vendors which lease space or operate kiosks in shopping malls owned by General Growth Properties.

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For these PGs, do the brokers have a book built up already that they're looking to grow or are they looking to go into a new market?

It's about half and half. For GGP Tenants PG, that broker had that business for quite some time. For FM&V, again, that broker had a book of farmer's markets throughout the U.S. Similarly, for my first PG, the National Newspaper Association PG, the broker had the book of newspaper publishers, and he continues to provide them with insurance for the past 20 years.

On the other hand, all brokers will try to grow the business. For the veterinary PG, the broker is a veterinarian himself, and he is growing the purchasing group.

Do you ever get associations that come to you? Or is it all either brokers or insurance companies looking to form the PGs?

Generally, I get most of my RPG work from brokers or insurance companies. Much earlier in my career, I would get a lot of association business from the members of the association, when I was setting up offshore captives, either in Bermuda or the Cayman Islands. In those years, I was approached by brokers that were working with the members of an association, and the members were willing to invest capital to form the captive in an effort to control losses and reduce costs. Nowadays, the impetus to form PGs comes from brokers.

New purchasing group formations were strong in the 2010s, with the number of active purchasing groups surpassing 1,000. Do purchasing groups perform better in soft market conditions and has the current hard market had an impact on interest in the PG vehicle?

I don't think that the state of the market affects the formation of purchasing groups as much as it might affect the formation of risk retention groups, primarily because the members of the RRG are invested in the RRG, and the hard market premiums act as an impetus to the formation of the RRG. The RRG members are looking to reduce their claims and their costs. These RRGs generally have a substantial premium per individual member.

I don't think that the market conditions affect the RPGs, because they are primarily being formed by the brokerage community, as opposed to individual insureds.

Purchasing groups are active in a wider range of business sectors than RRGs and don't see the same degree of concentration in the Healthcare sector that RRGs do. Have any business sectors seen significant purchasing group activity?

I believe that the initial Healthcare RRG formations were driven more by an inability, or at least initially it was an inability to buy medical malpractice coverage. So, you had to set up your own insurance company, and were then able to offer as much coverage as your contributed capital could sustain.

Having said that, I have a number of Healthcare PGs, but Healthcare PGs are not a predominant part of my practice. However, I do know of substantial healthcare PGs out there in the market.

You "domicile" all your purchasing groups in Illinois. The domicile process does not carry the same weight for purchasing groups that it does for RRGs. Are any benefits for placing a PG in a particular state?

I form my PGs in Illinois because (1) I'm licensed in Illinois, and (2) Illinois has an especially fine Insurance Department. Marcy Savage is the supervisor, and she is assisted by Amy Trader. Both are very knowledgeable, efficient, and responsive. To form and register an RPG is all 50 states and the District of Columbia is a time-consuming project, and I like to work with a department that reacts promptly.

The Risk Retention Reporter

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There are some states that just do not act as promptly, or process the applications as efficiently, as Illinois.

Most states track when a purchasing group registers in their state, but many don't seem to track when a purchasing group stops being active in their state. Do you keep on eye which of the groups you've formed are still active? Do you have a feel for how many active purchasing groups there truly are?

I've got roughly 36 purchasing groups that I am working with, and of those, maybe one or two are inactive. They become inactive when the premium growth does not develop or the PG loses its market.

Each year, at year-end, my PG clients report the year's premium in order to enable me to file the premium or renewal reports in the 36 or 37 states that require filings. That premium information is what tells me whether or not the PG is active.

I haven't tracked the level of premiums in recent years. A few years ago, when I was tracking this more closely, the premiums for the PGs I was handling approximated $6 million, annually.

That make sense. We used to purchase data from the NAIC on purchasing group premium. However, many of the insurers listed PG insurers did not report any PG premium.

There are only a few states that require any input from the carrier, when setting up or registering a purchasing group. Wyoming, for example, requires a letter from the carrier acknowledging that it will underwrite and insure members of the purchasing group. About a dozen states require an admitted carrier to appoint an agent in the state. So, those states know that the carrier is aware of the PG. New Jersey is another state that requires the insurer, whether admitted or Surplus Lines, to execute a Policy Form Certification, certifying that the carrier's policy form complies with New Jersey requirements, if required by law. A number of Surplus Lines carriers refuse to sign this Certification because they do not file policy forms. As a result, a number of insurers for my PGs are not listed as insurers in New Jersey. This is a real problem.

You mentioned that you used to work with captives. How long have you been focused on purchasing groups?

Purchasing groups represent almost 100% of what I do now, and that has been my focus since 1996. Prior to then, from the 70s into the 90s, I formed a number of offshore association captives for industry-wide groups, primarily in Bermuda or the Cayman Islands. These included three captives for the greyhound, harness and thoroughbred race tracks in the country, a pest control captive, a truck leasing captive, and a captive for the **Grocery Manufacturers of America**, among others.

On other comments on purchasing groups or on how the purchasing group industry is currently doing?

I do not think that purchasing groups have developed the same sort of an industry as risk retention groups.

An extensive industry has grown up around risk retention groups, because an RRG is really a small insurance company, or maybe not so small. The operation of an RRG requires all of the elements of operating an insurance company, and all of the required service providers have developed the expertise to advise the RRGs. So, the industry has grown up as the number of RRGs has grown. They even have their own association, the **National Risk Retention Association**. Although the NRRA is open to PGs, most all of its members are RRGs.

Purchasing groups, since they do not require capital or actual involvement by the member-insureds in their operation, do not lend themselves to developing an industry around them.

I have tried to get in touch with purchasing groups in the past for articles. Although they are smaller, some of the purchasing groups were writing innovative coverages. A few years back there was one that was writing coverage for Airbnb. E-Sellers seems to fit in that category.

My most recent PG is **eSellers RPG, Inc.**, which is currently registered in 47 states and the District of Columbia. We are still waiting on three states, which will remain nameless. eSellers RPG is an interesting PG, since it is designed to offer liability coverage to vendors seeking to sell on websites operated by **Amazon** or built using **Shopify**.

Since you can sell practically anything on Amazon, I wondered how the underwriter would be able to set the premium for each individual applicant. The answer is that they have established ten tiers of risk, with premiums varying with the risk tier. I thought that was very interesting solution.

Breakdown of RRGs and PGs by Business Sector

Purchasing groups differ significantly from risk retention groups in breakdown of business sectors in which they are active. Not only are purchasing groups active in a wider range of business sectors than risk retention groups, there is also no one sector that represents a dominant share of the purchasing group marketplace.

Healthcare is the largest business sector for purchasing groups at 20% but is closely trailed by the Property Development sector at 19% and the Professional Services sector at 16%. Compare this to risk retention groups, where Healthcare risk retention groups account for 54% of all RRGs.

Purchasing groups are also active in business sectors with no RRG presence such as the Publishing & Office Services and Hospitality sectors. There are also more purchasing group in the Leisure sector with 86 Leisure purchasing groups accounting for 8% of all PGs.

In his interview, Dan O'Leary, Of Counsel at **Mandell Menkes LLC,** mentioned that purchasing groups can be formed to insure more niche lines of business. On their own, some of those smaller lines of business may not have the premium volume or capital necessary to form a risk retention group or a captive insurance company.

As a result, there are PGs that focus on niche coverages such as insurance for hole-in-one competitions that will pay out the prize money (prize indemnification insurance) if someone wins such as **Intl. Hole in One Assn.**, which was formed in 1999. In such groups, the member can buy the coverage they need, for example for a single competition, and not have to buy completely into the purchasing group as a long-term insurance solution.

These factors contribute to purchasing groups operating across a wide range of business sectors, but also lead to an industry that is much more diffuse than the risk retention group industry. Although purchasing groups pay registration fees like RRGs, and also face delays in registration approval, purchasing groups have shown little interest in getting involved with the **National Risk Retention Association**.

In the current environment, according to O'Leary, purchasing groups arise most often from the efforts of brokers and insurance companies. As a result, purchasing groups appear to be more of tool utilized by other insurance entities than a distinct entity like an RRG or a captive insurance company.

VCIA President Richard Smith to Step Down

Long-time **VCIA** President Ricard Smith will be stepping down at the end of January 2022. Smith has served as the President of VCIA since 2009. VCIA, like most other organizations, has experiences significant disruption from the coronavirus pandemic.

"It has been a great privilege to lead this incredible organization for the past twelve years," stated Smith. "I am so grateful for the hard work and commitment of our wonderful staff, our board of directors, and VCIA's members. I truly value the friendships I have made here. VCIA would not be what it is today without the significant contributions of everyone in this vibrant industry."

"Rich has been a pleasure to work with. He has skillfully led the VCIA with a steady hand during some very turbulent times. The VCIA Board truly thanks Rich for his hard work and deep commitment to the Association," said VCIA Board Chair and **Paul Frank + Collins** Director Stephanie Mapes in a press release.

The press release also noted that VCIA is in a good position to take advantage of the current historic growth in the captive insurance industry. The *October Risk Retention Reporter* will feature an interview with Smith looking back at his tenure as VCIA president.

Positive Ratings Actions for Several RRGs

A.M. Best has upgraded the Financial Strength Rating (FSR) to A (Excellent) from A- (Excellent) and the Long-Term Issuer Credit Rating (Long-Term ICR) to "a" (Excellent) from "a-" (Excellent) for **Community Hospital Alternative for Risk Transfer (A Reciprocal Risk Retention Group)** (CHART RRG). The outlook for the ratings was revised to stable from positive.

"The ratings reflect CHART RRG's balance sheet strength, which A.M. Best asses as very strong, as well as its strong operating performance, limited business profile, and appropriate enterprise risk management," wrote A.M. Best in a press release. "The ratings upgrade reflects continued strengthening of CHART's balance sheet, as measured by the trend in risk-adjusted capital and the continued benefits derived from the company's strong operating performance."

Formed in 2002, CHART RRG provides medical malpractice and general liability coverages to its members who consist of non-urban community hospitals.

A.M. Best also revised Long-term LCR outlook for **Restoration RRG (**RRRG) to positive from stable and affirmed the company's FSR of A(Excellent).

"The positive Long-Term ICR outlook reflects RRRG's distinct improvement in its underwriting results and overall operating performance since transitioning its third-party service providers in 2014," wrote A.M. Best in a press release. "With the integration of its new service providers, RRRG has clearly focused its specialty, niche insurer expertise on improving its claims management and resolution practices."

Formed in 2004, RRRG provides general liability, pollution liability, and limited service and repair liability to its members who are **Servpro** franchisees. RRRGs' team of service providers currently includes **Amethyst Captive Solutions** (management services and accounting), **Cannon Cochran Management Services** (claims management), and **Aon Benfield** (reinsurance services).

A.M. Best also removed the ratings for **NORCAL Group** from under review with developing implications and affirmed the FSR of A- (Excellent) and Long-Term ICR of "a-" (Excellent) assigned to the group. NORCAL Group includes **Preferred Physicians Medical Risk Retention Group, a Mutual Insurance Company**. Preferred Physicians has been active since 1987 and provides coverage to its members who are anesthesiologists.

The ratings of NORCAL group are receiving support from the new ultimate parent, **ProAssurance Corporation**. ProAssurance acquired NORCAL on May 21, 2021, "as part of a sponsored demutualization."

Demotech, Inc. assigned a Financial Stability Rating of A, Exceptional, to **Surya Insurance Company Inc. Risk Retention Group**. "This level of FSR is assigned to insurers who possess exceptional financial stability related to maintaining positive surplus as regards policyholders, liquidity of invested assets, and acceptable level of financial leverage, reasonable loss and loss adjustment expense reserves, and realistic pricing," wrote Demotech in a press release.

Formed in 2018, Surya RRG provides commercial auto liability to its members who are truckers and trucking companies.

Demotech Second Quarter Analysis of RRGs Shows Strong Premium Growth

Demotech, Inc. has released its publication *Analysis of Risk Retention Groups—Second Quarter 2021*. The report finds that risk retention groups continue to report premium growth while exhibiting continued financial stability.

From second quarter 2020 to second quarter 2021, risk retention groups collectively reported growth in cash and invested assets of 14.7%, while surplus increased by 14.3% over the same period. "The level of policyholders' surplus becomes increasingly important in times of difficult economic conditions by allowing an insurer to remain solvent when facing uncertainty," wrote report author and Demotech Senior Financial Analyst Douglas A. Powell.

Liquidity, as measured by cash and invested assets to liabilities, was 145.3% for RRG collectively in the second quarter of 2021. Leverage, a measurement of total liabilities to policyholder's surplus, was 147.2% for the same period. Powell noted that the ratios were "appropriate and conservative" and indicate that RRGs remain adequately capitalized.

The report also features income statement analysis. Collectively, RRGs reported aggregate underwriting losses of $110.8 million through the second quarter of 2021. Those losses were offset by net investment gains of $385.3 million over the same period, resulting in an overall net income gain of $299.2 million through the second quarter of 2021.

The loss ratio, a measurement of losses and loss adjustment expenses to net premiums earned, for RRGs through the second quarter was 82.2%. The expense ratio, a measurement of other underwriting expenses to net premiums earned, was 24.2% over the same period. As result, RRGs had combined ratio of 106.4% through the second quarter, indicating a collective underwriting loss through the second quarter of 2021.

The report also finds that RRGs may be on pace to surpass $4 billion in gross written premiums in 2021. RRGs saw gross written premium increase by 15.8% through the second quarter of 2021 compared to the same period in 2020. If that rate holds through till year end, RRGs would end 2021 with more than $4.4 billion in gross written premiums.

The Healthcare sector appears to be driving premium growth in 2021. The largest premium increase through the second quarter was at the reactivated **Emergency Capital Management (Vermont), LLC a Risk Retention Group**—an RRG providing coverage to **Emergency Physicians Medical Group**—which reported a premium increase of $85.0 million through the second quarter of 2021.

This is a surprising figure, but according to the 2nd quarter 2021 filing for Emergency Capital Management RRG, other aspects of the RRG's financial profile experienced growth that mirrors premium growth at the company with cash and invested assets increasing to $111.5 million from $7.0 million at the year-end 2020. The *Risk Retention Reporter* will be doing a follow-up in the October issue see what factors may be driving the premium growth at the Healthcare RRGs.

Other risk retention groups with large gains in premium through the second quarter according to the report include **MedPro Risk Retention Group** ($35.3 million), **Graph Insurance Company RRG** ($20.1 million), and **Southwest Physicians RRG** ($19.2 million). All of which are Healthcare RRGs. Southwest Physicians was reactivated in 2020 in a similar manner to Emergency Capital Management RRG. The only non-Healthcare RRG in the top five for premium growth through the second quarter is **Attorneys' Liability Assurance Society RRG** which saw an increase in premium increase of $17.4 million through the second quarter of 2021 in comparison to the same period in 2020. The report also notes that the ratios of premium written to surplus for RRGS remains conservative.

"Despite political and economic uncertainty, RRGs remain financially stable while providing specialized coverage to their insureds. The financial ratios calculated based on the reported results of RRGs appear to be reasonable, keeping in mind that it is typical and expected that insurers' financial ratios tend to fluctuate over time. The results of RRGs indicate that these specialty insurers continue to exhibit financial stability," wrote Powell.

New Maple Tech Zero-20-20 Program Focuses on Transportation RRGs

Maple Technologies (Maple Tech), a provider of cloud-based administration software for property and casualty (P&C) insurers, announced a new program geared towards smaller insurers including risk retention groups and captives. Maple Tech's core software is the *Aspire* system and the *Zero-20-20* program will waive the implementation fees for Aspire for those carriers with gross written premiums of less than $20 million.

Maple Tech grew out of a former transportation MGA that Maple Tech CEO Nicholas Teetelli owned and operated in the mid-1990s. Coming into the new millennium Teetelli saw an opportunity in the technology space and

divested his interests and holding in insurance companies to focus on the software program he had developed in-house at his MGA.

"At the time the market was rather limited, perhaps a dozen or so players in total, mostly vested in AS400 mainframes or other monolithic legacy systems, none of them offering cloud-based services (then known as an ASP - Application Service Provider)," said Teetelli. "We were the first to enter the space have exclusively offered custom configured hosted system service since inception. The policy administration software space was at its infancy and evolving, presenting a great opportunity."

Maple Tech's Aspire system now offers an end-to-end solution for insurance carriers including policy administration, a policy issuance document engine, billing and collections, claims, reinsurance, and other services all which are custom configured for the needs of each carrier client.

Maple Tech broadly serves the P&C industry and has been involved with the captive insurance industry since 2007. The Aspire system is utilized by a wide range of P&C carriers from insurers of sovereign Indian nations, to professional liability carriers, to writers of business owners policies (BOPS).

However, the cornerstone of the Maple Tech business is the Transportation and commercial auto liability sector. "(It's) what we effectively cut our teeth on coming into the industry. Presently, we support four risk retention groups, with a couple more coming on board soon, all Transportation based," said Teetelli.

The Transportation sector been a leader in new risk retention group formations throughout much of the 2010s and into the 2020s. This growth in the Transportation sector has come with a few high-profile insolvencies.

Maple Tech was a service provider **Spirit Commercial Auto Risk Retention Group** (Spirit Commercial), a risk retention group where an alleged $40 million is missing due alleged misconduct by program manager **CTC Transportation**. A business court complaint regarding the Spirit liquidation has worked its way to the **Nevada Supreme Court**. The Receiver notes that the Aspire system for Spirit is "still of value for the receivership, particularly during the pendency of the [proof of claims] process and certain litigation matters.

Another Transportation risk retention group, **Global Hawk Risk Retention Group**, was also allegedly defrauded of tens of millions of dollars by its **MGA Global Century Insurance Brokers**. Administration software can't help an RRG in cases where alleged fraud has occurred, but **Imperial PFS** (IPFS) Vice President Dick Crnkovich believes that such software can help smaller carriers, including RRGs, stay competitive.

IPFS is a premium finance with close ties to the RRG industry, including a partnership with the **National Risk Retention Association**. Imperial PFS recently began a strategic partnership with Maple Tech to integrate their financial services into the Aspire core platform.

Crnkovich noted that working with risk retention groups carries risk for premium finance companies (PFCs) like Imperial PFS and as a supporter of the RRG industry IPFS has an interest in helping RRGs as whole stay competitive, as it mitigates their risk as an PFC. "When can RRG fails, the absence of a guaranty fund becomes very painful," said Crnkovich.

There are tiers of who gets paid in an RRG liquidation. The first tier to get paid includes the respective department of insurance and the cost of professionals handling the liquidation, most often attorneys that specialize in receiverships. Afterwards claims are settled, and "by the time the insurance claims are settled there is [generally] nothing left to pay general contractors," a category that includes PFCs, said Crnkovich.

"By comparison, when a guaranty fund is involved, we typically take a haircut of 20% +/- and, if the account is large enough, we try to collect the balance from the insured. The result is much better than with an RRG or other surplus lines carriers," said Crnkovich.

Crnkovich notes that smaller risk retention groups are often hampered by high administrative costs tied to sub-par technology systems. Such companies also lack the funds to implement "state-of-the-art, end-to-end, fully integrated software systems."

"This leads to use of worksheets and disassociated data that is difficult to merge together for use by management to assess the operating results of the RRG," said Crnkovich.

The Maple Tech Zero-20-20 program opens the door to an integrated software system for smaller risk retention groups by eliminating the initial implementation cost. Teetelli notes that the implementation costs range "from a few hundred thousand dollars for simpler lines of business, and well north from there for more complex lines of business such as commercial auto."

Teetelli notes that Maple Tech has been successful over the past 20 years and has built up the necessary building blocks for most implementation projects in the P&C space.

"That's all collectively positioned us to create a give back program, targeted to providing smaller carriers, under $20M GWP, a zero-cost custom configured implementation option. In doing so, Zero-20-20 bridges the misalignment gap between need and upfront cost that has been an obstacle for these smaller carriers to bring technology into their space," said Teetelli.

Teetelli believes that an end-to-end administrative platform can help risk retention groups, particularly those in the Transportation space, be successful. The ability to identify "trends in underwriting and claims in real-time" is a "game changer."

Teetelli also believes that risk retention group regulators have learned from the failure of groups like Spirit Commercial and Global Hawk.

"Over the past year or two regulators have really tightened down on Transportation RRGs, tighter regulation, tighter controls, tighter oversight. I believe those initiatives will have a positive long-term impact for the transportation sector and how it operates," said Teetelli.

NRRA To Move Forward Annual Conference

The **National Risk Retention Association** (NRRA) plans to move forward with its annual conference scheduled for November 2 to 4 at the Sofitel Hotel in Chicago, Illinois. The decision comes on the heels of positive trends in coronavirus statistics following a surge in infections due to the Delta Variant, including particularly good data for Illinois.

"Based on what we are seeing, the risks in Chicago initially increased but as of early September appear to be declining, which is the primary reason why we are still holding firm in our planning. If you look at all the current data, compared to all the other states in the country, as of September 8, 2021, the state of Illinois ranked about 42nd out of the 50 states with its much lower reporting of new cases per 100,000 tested," said NRRA Executive Director Joseph Deems in a press release on the NRRA Website.

Tim Sullivan, NRRA Lead Conference Coordinator, notes that attending a conference still carries some risks, but NRRA is taking the appropriate measures to mitigate that risk. "For example, expect to demonstrate vaccination or a negative COVID test and be prepared to wear a mask indoors at all times, which is now required by the City of Chicago," said Sullivan.

Deems is optimistic for this year's conference, noted that conferences held during the summer months, admittedly before the Delta surge, saw record attendance. "That is consistent with our data, nevertheless, where everyone we have spoken with has begged for an "in-person" event," said Deems.

For more information, and to register to 2021 NRRA Conference, visit the NRRA website *riskretention.org*.

Risk Retention Roundup

This month two new risk retention groups were added to the *Risk Retention Reporter* listings, and one RRG was deleted, taking the total number of RRGs up to 227. Two new purchasing groups were added to the *Risk Retention Reporter* listings, and no PGs were deleted, taking the total number of PGs up to 1030.

This month's first new risk retention group is domiciled in the District of Columbia and will be serving the Healthcare sector. **COMHS RRG, LLC Ins. Co.** will be providing professional liability to members of the **Community Healthcare System**.

This month's second new risk retention group is domiciled in Alabama and will be serving the Transportation sector. **Technology Transportation Mutual Risk Retention Group, Inc.** will be providing cargo liability, commercial auto liability, and general liability to members who are comprised of transportation industry entities operating various classes of light commercial vehicles excluding public livery vehicles.

Both of this month's new purchasing groups are domiciled in Illinois. **eSellers RPG, Inc.** will be serving the Manufacturing & Commerce sector and will be providing commercial general liability to for any person or entity providing or selling products and/or services online through websites operated by **Amazon** or websites built using **Shopify**. **FM&V PG** will be serving the Hospitality sector and will be providing general liability to farmer's markets.

Correction for August 2021 Risk Retention Reporter

In the August 2021 article "Breaking Down RRG State Registrations" a passage at the top of page seven read:

"Finally, there are several risk retention groups domiciled in just one or two states. The risk retention groups domiciled in just one state are often in the nascent stages and only registered their domiciliary state."

The passage should say risk retention groups **registered** in one or two states as opposed to "domiciled in one or two states."

Thanks to Kim Wynkoop, General Counsel at **Ophthalmic Mutual Insurance Company (A Risk Retention Group),** for identifying the error. The *Risk Retention Reporter* apologizes for the error.

RISK RETENTION MONTHLY UPDATE SEPTEMBER 2021

Summary of Risk Retention Activity: This month two new risk retention group were added to the RRR listings, and one RRGs was deleted, taing the total number of RRGs up to 227. Two new purchasing groups were added to the RRR listings, and no PGs were deleted, taking the total number of PGs up to 1030. [The reason for a change or deletion in a RRG or PG listing appears in boldface following each listing.]

New Risk Retention Groups

COMHS RRG, LLC Ins. Co. (DC): Professional Liability for members of the Community Healthcare System. - Accessible directly to insureds. Contact Beth Beiga (345) 945-5556.

Technology Transportation Mutual Risk Retention Group, Inc. (AL): Cargo Liability, Commercial Auto Liability, General Liability Membership is comprised of transportation industry entities operating various classes of light commercial vehicles excluding public livery vehicles. - Accessible directly to insureds. Contact Pamela Moniz (941) 366-1076.

Retired Risk Retention Groups

DuBois Medical RRG (DC): Medical Professional Liability, General Liability for DuBois regional medical group, incl. hosp. & rel. facilities in western PA. -Accessible directly to insureds. Contact Brian Kline (814) 375-6377.

New Purchasing Groups

eSellers RPG, Inc. (IL): Commercial General Liability for any person or entity providing or selling products and/or services online through websites operated by Amazon or websites built using Shopify. - Accessible directly to insureds. Lloyd`s of London (GBR). Contact Dan O'Leary (312) 251-1000

FM&V PG (IL): General liability for farmer's markets - Accessible directly to insureds. Hanover Ins. Co. (NH). Contact Dan O'Leary (312) 251-1000.

The Risk Retention Reporter monitors risk retention activity in fourteen states. These states--known as "pulse point" states--are California, Colorado, Delaware, District of Columbia, Georgia, Hawaii, Illinois, Minnesota, Montana, Nevada, South Carolina, Tennessee, Texas and Vermont. The RISK RETENTION MONTHLY UPDATE lists new risk retention groups and purchasing groups as well as changes in information for existing groups. A complete list of RRGs and PGs is published in January, April, July and October. "Pulse Point" states monitored by the RRR are listed at the end of each listing. RRGs and PGs may have filed or be operational in non-monitored states. To ascertain this information, contact the group directly or the insurance department in the state for which information is sought.