



**IIAT Work flow Time Study  
Texas Windstorm Insurance Association  
September 2012**

**Methodology**

This study was conducted with six independent insurance agencies along the Texas coast, writing a combined total of more than \$18 million of premium in TWIA. The original data was developed in 2009 in live interviews with agency representatives in three meetings. The data was updated in 2010 and again in 2012 to incorporate additional requirements included in HB 4409 of the 81<sup>st</sup> General Session and HB 3 of the 82<sup>nd</sup> GS.

Average time was based on the estimated work time by customer service staff that process new and renewal business. Voluntary market refers to standard insurance companies with which independent agents normally do business.

**Major Findings:**

1. The average minimum time required to place and process a **new policy** in TWIA is 135 minutes, compared to 65 minutes in the voluntary market.
2. The average minimum time required to place and process a **renewal policy** in TWIA is 155 minutes compared to 20 minutes in the voluntary market.

**Other Issues in Dealing With TWIA:**

1. TWIA insists on using the valuation produced by the Marshall Swift cost estimator, even when the value doesn't make any sense compared to actual construction costs or doesn't match the amount written in the voluntary market.
2. TWIA has a cumbersome billing system and will not accept an insured's check. The agency must produce an agency check for each premium-bearing transaction.
3. In general, there is more follow-up needed on TWIA accounts than is required in the voluntary market.
4. A renewal account must be updated and requested, requiring nearly as much work as writing a new policy. Voluntary markets often issue renewals automatically and electronically and bill the customer.

5. When a TWIA customer remodels or adds to the insured property, additional time is required to monitor TWIA inspections and the WPI-8 process.
6. TWIA has removed two duties from the agent in the last 3 years: (1) Pictures are no longer required with new business applications; and, (2) WPI-8 forms are no longer required with applications. However, often times the underwriter is not able to find the WPI-8 and the agent ends up providing to TWIA.

**Additional time to agency of processing new and renewal policies in voluntary market vs. TWIA**

	Voluntary		TWIA	
	Est Minimum	Est Maximum	Est Minimum	Est Maximum
<b>New Business</b>	65 min	80 min	135 min	400 min
<b>Renewal Business</b>	20 min	25 min	155 min	290