

## **Collecting Reinsurance**

Moderator: James Kennedy, Counsel to the Receiver, Texas Department of Insurance

Panelists:

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Some approaches to securing the reinsurance asset:

- Traditional: Bill and collect
  - Observations re the process? (e.g. gathering info from different sources to generate a bordereaux-Ascertain the integrity of the data gathered - treaties, endorsements, addenda, claims and accounting records etc. (Also, once gathered, obtaining a working knowledge of the reinsurance contracts is essential)
  - Is the process effective, are payments timely?
  - Obstacles (disputing issues on an individual cession basis)
- Commutations
  - Advantages (reduce operating costs by eliminating process, reduce risk of uncollectable/insolvent reinsurer)
  - What makes a good process?
  - Obstacles and how to overcome
- Selling the asset
  - Drivers
  - o Advantages
  - What makes a good process
  - Obstacles and how to overcome