



E-Newsletter - September 2011

BIG NEWS HAPPENING AT COST CONTAINMENT SPECIALISTS!

Cost Containment Specialists is happy to announce we have signed an agreement to provide our cost containment and vendor management services to VGM Club of Waterloo, IA and its' 3,000 members.



VGM Club, a group purchasing organization/association, is the largest premier members' service and marketing organization in North America for membership-based clubs, which includes golf, tennis, yacht, city, resorts, casinos and athletic clubs. Collectively, VGM members possess the purchasing power in excess of \$2 billion annually.

Commercial Insurance Client Saves 18%-26% in Costs Improves Coverages and Reduces Risk



CCS has been working with a subject matter expert that specializes in providing organizations with independent, impartial review and analysis of risk transfer programs and risk management initiatives for commercial insurance. This is a totally objective analysis because the subject matter expert does not sell insurance or compete with your incumbent broker.

One of the main objectives is to assist the client in implementing and maintaining the risk management and transfer solutions, which the client deems appropriate, with adequate levels of protection against identified insurable risk exposures. This process assists in assuring that they are in the best possible position to take full advantage of ever-changing

insurance market conditions, both now and in the future.

Our client engaged the subject matter experts to review their commercial insurance, which included:

- Workers Compensation
- Risk Identification (all products)
- Physical Asset Risks
- Contractual Liability Risks
- Supply Chain Distribution Risk
- Human Asset Risk
- Corporate Governance and Regulation Risk
- Safety and Health Gap Analysis
- Cyber Risk
- Loss Profiles

As part of the analysis process the participating brokers were requested to supply indicative premiums based on the clients existing program (the current renewal sums insured, indemnity levels, deductibles, etc.)

The purpose of the indicative pricing is two-fold. First, it provides a truly 'like' for 'like' comparison against expiring premiums, allowing each broker to demonstrate their market presence, industry knowledge and most importantly, their purchasing power.

Second, it serves to prevent the common practice of 'reserving', whereby an insurer provides and reserves a premium quotation to one broker only, effectively 'blocking the market' and limiting any competing broker's access to that part of the insurance market which has been reserved.

Using this unique process the analysis provides the preferred broker, once appointed, with complete access to the entire insurance market, without any restrictions from the reserving practice, thus allowing for the most effective and efficient marketing, leveraging and placement of the upcoming renewal.

We realize organizations have loyalties and personal relationships to their incumbent brokers; however, if you do not have to change brokers or insurance companies to see improved coverage, why would you not preform the analysis? Who is looking out for your best interest? The reality is you can now deploy an objective process that can obtain better coverage at the same or better price.

Now your organization can have a third-party advocate. Organizations that do not consider

this analysis are leaving significant dollars on the table.

About Cost Containment Specialists

Cost Containment Specialists is a national expense reduction firm that provides advisory services to organizations to assist them in reducing their indirect operating expenses. We engage Subject Matter Experts (SME) that have specific expense expertise in over 30 spend categories to analyze and negotiate our clients current and alternative vendors to realize savings greater than can be done internally. Since 1998, CCS has helped over 1,500 businesses and organizations find undiscovered cost savings. Our fees are success based, so you do not pay us until we produce savings.

For more information on how Cost Containment Specialists will reduce your operating expenses, contact:

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