



## **Alternative Market Programs: PA Employers Coalition (PEC) Program**

**Sensible solutions for tough classes.**

### ***PROGRAM DESCRIPTION***

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Pennsylvania Employers Coalition (PEC) is member-owned group of businesses seeking an alternative market solution to workers' compensation coverage. Since its formation in 2004, the fully-capitalized PEC Program has grown to an annualized direct written premium of nearly \$2 million, with a year to year loss ratio of less than 55% (including reserves). E.K. McConkey & Co., Inc. serves as the Program Administrator and is endorsed by PEC to market the Program. ProActive Risk Services is PEC's claims consultant, offering PEC members its expertise in the legal, medical and claims fields.

### ***ELIGIBILITY***

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- ▶ Strong financials and an acceptable workers' compensation claims history
- ▶ Demonstrated commitment to risk management and safety practices, including Return-to-Work
- ▶ Minimum of \$150,000 annual workers' premium **OR** 75 employees with a full-time safety director

### ***MEMBER REQUIREMENTS***

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- ▶ Pro-active risk management focus
- ▶ 100% Return-to-Work philosophy
- ▶ Service Contract with ProActive Risk Services
- ▶ Utilize web-based claims reporting program
- ▶ Attendance at one off-shore meeting per year
- ▶ As an Alternative Market Program, PEC requires a premium payment plus a collateral component. This collateral, in the form of a Letter of Credit, is required to fund the GAP (the difference between the Aggregate Attachment Point and the Loss Fund).

### ***BENEFITS***

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- ▶ Stable rates and competitive pricing—protection from cyclical rate fluctuations associated with the traditional insurance marketplace
- ▶ Unique dividend structure to allow maximum returns with limited upside risk
- ▶ Quarterly financial statement reporting with monthly loss runs
- ▶ High quality loss control and risk management services
- ▶ Aggressive claims handling and medical cost management

For inquiries related to the PEC Program, please contact Jeff King, Program Manager for Alternative Markets, at [jking@eains.com](mailto:jking@eains.com) or 717.735.1668.

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