

## For more information contact:

Peace Church Risk Retention Group  
c/o Resource Partners

2160 Lincoln Highway East, Suite 6  
Lancaster, PA 17602

Phone: 717.293.7840 • Fax: 717.293.7854

phil@resourcepartnersonline.org



[www.ResourcePartnersOnline.org](http://www.ResourcePartnersOnline.org)

This brochure provides a broad overview of the Peace Church Risk Retention Group. It does not cover all elements of participation and does not take the place of other interpretive materials.

# Assuring Access To Affordable Liability Insurance



## What are the opportunities for joining the program?

Peace Church Risk Retention Group established a number of underwriting criteria for new members, including:

- Each must be a member of the Fellowship of Brethren Homes, Friends Services for the Aging, or the MHS Alliance.
- Each must have a five-year history – unless related to another member of PCRRG.
- Each must contribute to the company's capitalization.
- Each must commit itself to the risk management philosophy and policies of PCRRG.

Overall, PCRRG is committed to sustaining a profile of services that emphasizes independent living.

Exploration for participation in PCRRG should begin approximately six months before projected entry.

## More about FBH, FSA and MHS ...



Fellowship of Brethren Homes is a ministry to those who are aging and their families. The retirement communities related to the Church of the Brethren are committed to providing high quality, loving care for older adults. This group, known as the Fellowship of Brethren Homes, works together on common challenges such as uncompensated care, long term care needs and nurturing relationships with congregations and districts.



Friends Services for the Aging is an association of Quaker-affiliated organizations that provides support to member organizations in their delivery of highest quality services and promotion of best practices through collaboration, education, economies of scale and a shared commitment to our Quaker identity and values. FSA supports synergistic, collaborative relationships which strengthen member organizations and positively impact the quality of life for those individuals they serve.



MHS Alliance is a not-for-profit organization that supports Anabaptist faith-based health and human service providers in their leadership and strategic direction. Its mission is to expand the capacity of its members, and to help them refine and enhance organizational performance in relationship to their values. To meet these goals, they provide resources and values-grounded consulting services to members and other not-for-profit faith-based organizations.



Resource Partners – Risk Management Solutions is a licensed insurance agency serving Peace Church organizations across the country. Its mission is to provide risk management products and services that promote human and financial stewardship. In addition to PCRRG, Resource Partners administers programs for workers' compensation, property and auto insurance, self-insured employee health benefits, and commercial insurance solutions.

Peace Church Risk Retention Group (PCRRG) began in January 2004, insuring more than 40 long-term care providers associated with the Church of the Brethren, Mennonites and Quakers. The launch was led by the Fellowship of Brethren Homes (FBH), Friends Services for the Aging (FSA), and MHS Alliance (MHS).

Organized under the Federal Risk Retention Act, the company is based in Vermont and is currently doing business in 16 states. It provides general and professional liability coverage to its member organizations.

## Why a risk retention group?

Members of the three denominational associations concluded that the dynamics of the commercial insurance market were not serving their needs.

- The number of insurers of senior care providers had diminished markedly in recent years.
- Nursing homes and assisted living facilities were seen as major insurance problems, as lawsuits with large settlements proliferated.
- The senior care providers associated with FBH, FSA, and MHS have extraordinarily good records; many have never been sued.
- The insurance industry had not distinguished between good and bad service providers, and so all insurance premiums in the industry increased at alarming rates.
- The insurance industry was not distinguishing between different levels of senior care.
- Even with continued favorable claim experience, it was unclear whether insurance would be available (or would be affordable) to the Peace Church care providers in the future.

Against this background, members of FBH, FSA and MHS determined that they would chart their own course and build an alternative source of liability insurance.

## What is the vision of PCRRG?

The group identified a number of critical components. These included:

- Assured continued access to liability insurance.
- Reflection of the group's excellent claim experience in premiums.
- Control over claims.
- Ownership of aggressive risk management, creating processes that will continue the group's excellent loss rate into the future.
- Relationships of mutual aid and mutual accountability among participating organizations, with a focus on the long-term.
- Over time, experience stability and savings in insurance costs – and ultimately the possibility of member dividends.
- A structure through which the policyholders are also the shareholders, with mechanisms for self-governance.

## How does the insurance company work?

Subscribers elect a Board of Directors of 14 members annually. Ten members are selected from among the three denominational groups, roughly reflecting the proportion each represents of the total group; three are selected from the leadership of FBH, FSA, and MHS. At least one board member must be from Vermont.

The Board has established four standing advisory committees that reflect the four major areas on which the company's success is based:

- Risk Management
- Claims
- Underwriting
- Finance

The company engages outside firms to perform the day-to-day functions of an insurance company. It engages an independent auditor, actuary, claims manager, risk management consultant, and legal counsel.

Executive underwriting and overall administrative functions are carried out by Resource Partners. Captive Management services are provided by Northern States Management.



Caring Communities Shared Services, a leading management and consulting firm specializing in the organization of captive insurance companies, provided major support to the development of PCRRG. They continue their support by providing Consulting, Risk and Claims Management Services.

## What coverage does PCRRG provide?

PCRRG provides claims made coverage for general and professional liability. Participating organizations are able to secure coverage approximately equal to their prior coverage and to secure excess coverage. Organizations have been able to set their own levels of retained risk.

## How is PCRRG capitalized?

Adequate capitalization was seen as key to the company's success by the founders, and the company's paramount goal is to be in a position to pay all claims. Thus, each shareholding organization is required to make a capital investment approximately equal to 100% of their first year's premium. It is the intent of the company to build its capital reserves substantially before it considers any distribution of surplus.

## Mission Statement

To provide the highest quality and stable source of liability insurance and risk management services to support Peace Church aging services organizations.

## What is the role of risk management, and how is it carried out?

Aggressive risk management is the key to the company's success. The company is made up of organizations that have historically been highly successful in avoiding litigation. The challenge, in an ever more litigious society, is to develop policies, protocols, and practices that, together, create a culture of risk management that can build upon this favorable history.

Toward that end, PCRRG has engaged a national risk management consulting firm, ECRI Institute, that offers regular training and ongoing support to policyholders along with periodic on-site audits.

Most importantly, every policyholder has committed to take on major risk management responsibility with a common goal of providing the safest environments and best risk management practices for their residents, the people in their care and their employees.

## Vision

To be the favored risk management and liability insurance provider for all three denominations.