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MMAIP Experience

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Mid-Michigan Association of Insurance Professionals
Serving Bay, Midland, Saginaw, and Genesee Counties
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Message from the President

By Sandy Pope, CIC, CPIW - AAA Michigan

The Regional Conference in Columbus Ohio was exceptional! The opportunities for classes and networking were never ending.

Congratulations are in order to the award winners. Claims Professional of the Year went to Vikki Angelo, Insurance Women of Columbus Ohio. Underwriter of the Year went to Jennifer Baker, Miami Valley Insurance Women. Insurance Professional of the Year is Nancy Fournier, Insurance Association of Metro Detroit. CWC contestant to compete at National is Miriam Rich, from Indianapolis Association of Insurance Women. Rookie of the Year is Debra Craig, Insurance Professionals of Wabash Valley. Risk Management award went to Ann Westmeyer, Blue Grass Association of Insurance Women. AAMGA award was presented to Linda Britton, Greater Kalamazoo Association of Insurance Professionals.

Our Region IV RVP was re-elected. Congratulations to Sue Shaw. Delegate to National Nominating Committee was Cindy Prud'homme; Alternate Delegate to National Nominating Committee is Shauna Leiberman.

As we prepare to adjourn for the summer months, be sure to mark your calendar for our July 20th planning meeting. We want to get off to a running start in September; so, bring your ideas for education, networking, and industry involvement.

By the time the next edition of The Experience is published, new MMAIP officers and chairs will be in place. Thanks to all for your support this year!

Regards,
Sandy Pope

The MMAIP Experience is published bi-monthly and is delivered by email. If you would like to receive the newsletter, just send an email to MMAIPinsurance@yahoo.com and ask to be added to our distribution list.



Mid-Michigan Association of Insurance Professionals

is a local association, affiliated with the National Association of Insurance Women (Int'l). Membership is open to men and women who are employed in the insurance industry or students pursuing an education in the field of insurance, risk management, or actuarial studies.

Visit Our Website: www.MMAIP.org

LEGISLATIVE UPDATE:

Office of Financial and Insurance Services Change Name to Office of Financial and Insurance Regulation

OFFICE OF FINANCIAL AND INSURANCE REGULATION

The Office of Financial and Insurance Regulation (OFIR) is responsible for the regulation of Blue Cross Blue Shield, 27 HMOS, 139 banks, 169 domestic insurance companies, 233 credit unions, 1,303 foreign insurance companies, 1,750 investment advisers, 2,100 securities broker-dealers, 7,772 consumer finance lenders, 146,419 insurance agents, and 115,000 securities agents.

Michigan is the first state to coordinate regulation of financial institutions, insurance, and securities industries under the federal Financial Services Modernization Act of 1999.

Overseeing the Office of Financial and Insurance Regulation (OFIR) is Commissioner Ken Ross. Governor Jennifer M. Granholm appointed Mr. Ross Commissioner effective February 22, 2008. Prior to being named Commissioner, Mr. Ross was the Deputy Commissioner for Policy. Mr. Ross came to OFIR as the Commissioner's Chief of Staff in December 2003 after serving as the Vice President of Regulation and Legal Affairs for the Michigan Credit Union League (MCUL).

The Office of Financial and Insurance Regulation operates under two distinct offices - The Office of Financial Evaluation and The Office of Policy, Conduct and Consumer Assistance. The position of Acting Chief Deputy Commissioner for the Office of Financial Evaluation is held by Peggy Bryson. Frances K. Wallace serves as Chief Deputy Commissioner for the Office of Policy, Conduct and Consumer Assistance.

OFIR can offer assistance to consumers if they have questions or complaints about credit unions, insurance companies, banks, securities, and HMOs.

In the upcoming years, OFIR is seeking to create functional regulation for the financial services industry. Government regulators often apply a model of regulation to modern organizations that is a result of 130 years of experience. With changing complexities in banking and insurance companies, the old-fashioned model cannot maintain a pace consistent with the industries. Regulators must become adept at interpreting and regulating complex service enterprises that did not even exist five years ago.

It is OFIR's duty to sustain an active relationship with Michigan's consumers. This involves keeping consumers informed and helping them adapt to industry developments. Most consumers are not aware of the complex changes occurring in the financial industry.

Through adaptability and consumer communication, the staff members of the Office of Financial and Insurance Regulation strive to be the preeminent financial service regulators in the United States.

Technology Corner: Are You Ready for Microsoft Office 2007?

Note: Much of the information that follows is from Microsoft's Office Online page at: <http://office.microsoft.com/en-us/products/HA101679411033.aspx>.

Microsoft Office 2007 is a major departure from previous versions. With this product, Microsoft has redesigned the user interface and changed the way users work with the programs within Office. The File, Edit and View menus are gone; the menus, toolbars, and workflows have been replaced with the new features listed below.

In the redesign of Office 2007, Microsoft's stated goals were:

1. To make the more powerful features more easily accessible by the novice and regular user, rather than only by "power users". Microsoft describes this as making Office 2007 more "results oriented".
2. To separate authoring commands (i.e., those used in composing or formatting, such as page or object coloring or text formatting) from file-level commands (such as printing, sharing, or protecting) by getting rid of the existing menus (which do not supply context for the commands they list) and toolbars (which do not adequately display the results of user actions).

You can view Microsoft's video explaining the new Office 2007 features here: <http://office.microsoft.com/en-us/products/HA101679481033.aspx>.

The Ribbon

In Microsoft Word, Excel, PowerPoint, and Access, and in the mail composer/editor of Office Outlook, the menus (e.g., File, Edit, View) and toolbars have been replaced by the Ribbon. This Ribbon groups commands previously found in menus or toolbars into collections based on activities.

The Insert tab, for example, contains commands for inserting objects (e.g., pictures and tables), adjusting page layout, working with references, preparing mailings, and reviewing. Commands related to the layout of the final page (e.g., margins, text indentation, borders) are in the Page Layout tab.

The Home tab is an exception, in that it provides a single place for grouping the most frequently used commands for that specific program in the suite.

The Microsoft Office Button

The Microsoft Office Button is a single location for the most commonly used commands in any office program, such as New, Open, and Save.

This may appear to duplicate the Home tab, but this separation of seemingly similar functions supports the differentiation between authoring and file-level functions. The Home tab contains application-specific authoring commands (for how you wish the final product to appear, or what you want it to contain); the Office Button menu, however, contains file-level commands such as saving the file, naming it, or printing.

Contextual Tabs

Contextual tabs replace menus (e.g., File, Edit, View), and reside on the Ribbon. Contextual tabs are not fixed, but change based on the situation.

Microsoft explains contextual tabs as follows, "Certain sets of commands are only relevant when objects of a particular type are being edited. For example, the commands for editing a chart are not relevant until a chart appears in a spreadsheet and the user is focusing on modifying it. In current versions of Microsoft Office applications, these commands can be difficult to find. In Office Excel 2007, clicking on a chart causes a contextual tab to appear with commands used for chart editing. Contextual tabs only appear when they are needed and make it much easier to find and use the commands needed for the operation at hand."

Commands do not remain in static locations, but will appear as needed.

Galleries

Microsoft provides the following explanation for Galleries, "Galleries simplify many operations by presenting a set of results that users can simply 'pick and click' to achieve the desired results."

Galleries are graphical representations of formatting options you can apply to given elements in an Office document.

While some gallery options are simple formatting changes, as they were in previous Office environments (e.g., font characteristics such as boldface), others are collections of what used to be many individual settings in previous Office environments. It is not easy to fully map this function directly to the way older Office suites worked. Think of these as end-result oriented commands.

Consider the following Galleries example. To add and format a footer in Word 2007, you would select the Insert tab, and then the Footer options. The Footer Gallery will open, displaying options directly affecting the appearance of the footer. Several options will be available, including a three column footer, an "Austere" footer, and a simple unformatted footer. Selecting the Austere footer gives you a footer with a specific font, a colored page number, and a section in which to enter a company name. As another example, the three column footer wouldn't specify colors or fonts, but would make available three columns in the footer area.

Contrast that to previous Word versions, which would require many more clicks to format each individual element of the Austere footer that you can create with just three clicks in Word 2007.

In summary, Galleries simplify the act of formatting a document's elements by placing them in one location. Some Galleries require no fewer clicks than in earlier Office versions, but others combine what would have been many individual settings and commands into a single click.

Live Preview

As you hover your pointer over a set of Gallery results, Live Preview displays the effect of an editing or formatting change. It provides an on-the-fly preview of the document in question (not in a preview window).

For example, suppose you type a page of text and then go to the Page Layout Gallery. As you hover over the built-in themes, your document changes in response to each one.

For example, hovering over one gallery gives you one header font (in the first link below, Times New Roman bold 18 point) and body text font (Times New Roman 12 point), whereas hovering over others will give you a different set of header and body text fonts, as illustrated in the two other links below.

Such formatting differences do not remain until you click to apply a particular theme.

Mini Toolbar

The Mini toolbar, which appears near any selected text, provides access to frequently used formatting commands. If you move your cursor away from it, the toolbar becomes semi-transparent so that you can see whatever appears below it. When you move the mouse over it, the toolbar becomes opaque. It also appears above the contextual menu if you right-click selected text.

Are You Ready for Office 2007?

Office 2007 represents a radical departure from previous versions of Microsoft Office. It is likely that some training will be required as well as a lengthy period of transition, before users become comfortable with the new approach Microsoft has taken to delivering this powerful functionality.

To access free tutorials for Office 2007 programs and functionality, as well as previous versions of Microsoft Office, use the following link:

<http://office.microsoft.com/en-us/training/default.aspx>.

Hagerty Insurance Hit With \$5M Suit

An Illinois-based insurance company sued Traverse City's Hagerty Insurance Agency over more than \$5 million in disputed profit-sharing payments.

Encompass Insurance Inc., a wholly owned subsidiary of Allstate Insurance Co., filed suit last month in U.S. District Court alleging Hagerty owes the company more than \$5 million after the two parties ended a profit-sharing agreement and another pact related to the underwriting of insurance policies.

The lawsuit alleges the two companies entered into an "agency agreement" in 2002 in which Hagerty, one of the Traverse City area's largest employers, agreed to write insurance policies for Encompass primarily related to classic cars and boats in return for certain commissions.

The two companies then entered a "profit-sharing agreement" in 2006 in which Hagerty was to receive additional compensation in bonuses based on the profitability and growth of the policies.

According to the lawsuit, Hagerty terminated the agency agreement in March 2007, and Encompass ended the profit-sharing two months later. Hagerty allegedly asserted it was owed additional profit-sharing payments under the agreement and attempted to take the dispute to arbitration, but Encompass alleges the issue isn't subject to arbitration under the terms of the agreement.

The six-count lawsuit alleges Hagerty breached its contract with Encompass, and that Hagerty should return \$5,041,057 to Encompass for profit-sharing payments made in 2007. Encompass also seeks a declaratory judgment that the dispute is not subject to arbitration.

Encompass attorney Harvey Heller declined comment on the lawsuit. Both Hagerty and Encompass did not respond to requests for comment this week.

MMAIP Leaders

President	Sandy Pope AAA of Michigan
Vice President Insurance	Dorita Beal Meadowbrook
Secretary	Kelly Reed Frankenmuth Mutual
Treasurer & Education Chair	Jaime Millikin Dennis Miller Agency
Membership Chair	Tara Weber

Renters Insurance: What Does It Cover and Who Needs It

Many renters do not know about homeowners insurance available to them or simply do not take advantage of this type of insurance. Many more renters feel that renter's insurance is either too expensive or not necessary, given their living conditions. Many renters have valuable furnishings, which if damaged by flooding or burglary will need to be replaced.

Why should a "renter" have an insurance policy when his landlord owns the structure rented? Because the landlord's insurance does not cover the renter's personal property. If the apartment is vandalized or burglarized the landlord is generally not responsible for the damage to renter's personal property.

Personal property such as clothes, electronic devices, furniture, televisions, jewelry, and personal computers are not covered by the landlord's insurance. If an apartment is flooded, the landlord's insurance will cover the damage to the structure and its fixtures, but will not buy the renter a new couch.

While the landlord may be sympathetic and concerned about a renter's loss, absent some sort of negligence or contractual arrangement, he or she is not responsible for the renter's loss.

Renter's insurance covers the repair or replacement of personal property belonging to a renter in the event of damage caused by one of 17 perils listed in the HO-3 policy form. With renter's insurance, a renter's personal possessions are covered against losses from events such as fire or smoke, lightning, vandalism, theft, explosion, windstorm, and certain water damage.

Depending on state law, renters can also incur liability when someone is injured on the property they are renting. Renter's insurance covers a renter against personal injury claims resulting from accidents which occur on the renter's premises as a result of negligent acts by the renter, a family member, or the renter's pet, and it pays legal defense costs if the renter is involved in a lawsuit. These legal costs can total many thousands of dollars.

A renter's policy can save a consumer money because he or she will not need to buy separate liability protection with this type of policy in place. While renter's insurance does not cover negligent acts while driving an automobile, or flying an airplane, it may cover other negligent acts committed by the renter off site of the rented premises.

Continued on Page 4

Renter's Insurance Continued From Page 3

Renter's insurance is also valuable if a homeowner is renting while his or her home is being built or rebuilt, or in escrow awaiting a prior homeowner's departure. The last thing a new homeowner needs is to have possessions stolen or destroyed before he has moved into his new home. In this case short term renters insurance can protect those valuable treasures and heirlooms through the moving process.

Time Saving Tips on the Job

1. Break large, time consuming projects into smaller tasks and work on them one at a time.
2. Get it right the first time. Do a quality job. It may take more time, but there is a lesser chance of errors. This way, you avoid time-consuming corrections.
3. Multitask. Jobs that are not too critical and don't require 100% concentration are good candidates for multitasking. Send routine emails while talking on the phone. Multitasking frees 30-60 minutes to be used later in the day.
4. Avoid perfection. When you try to bring perfection to difficult tasks, you will only end up avoiding them.
5. Write notes to yourself. This helps you stay on track and ensure that important work gets done.

Congratulations to MMAIP Members Contributing to a Better Insurance Industry!

Member Achievements:

Dorita Beal: CPIW designation
CIC designation

Kelly Reed: CPIW designation

Jaime Millikin: Elected Michigan Council Public Relations Chair

Cindy Prudhomme: James M. Gibson Service Award (The AMS Users' Group)
Elected Region IV Delegate to National Nominating Committee
Michigan Council Director 2008-2009