

SUCCESS STORY

Risk management case study

Horizon America, LLC achieves extraordinary mod rate

The goal

Horizon America, LLC, established in 2013 and operating across 10 locations, is a staffing agency with over 30 years of combined experience, serving the light industrial and manufacturing sectors. As a new company, Horizon America faced challenges in securing workers' compensation coverage outside of the assigned risk pool. Despite the owner's extensive staffing experience, the company was still relatively new and had a limited track record, while their broker lacked the necessary expertise in staffing. To overcome these challenges, Horizon America needed a robust risk management strategy to obtain competitive pricing in the standard marketplace and foster growth.

The action plan

Horizon America partnered with Marsh McLennan Agency's (MMA) staffing & PEO practice. Although Horizon America had a very low loss ratio and strong risk management practices, they had limited tenure in business. MMA was able to place them with a carrier partner that became comfortable with them through an extensive operational assessment. This partnership allowed the company to expand operations by capitalizing on their competitive rates. The carrier's focus on operational controls and staffing expertise helped Horizon America continue in developing a systematic approach to vetting new clients and assessing potential risks. By partnering with MMA to evaluate all prospective clients and job duties, the company was able to grow strategically while minimizing unnecessary risks.

Horizon America has continued to reduce its costs by taking an intermediate deductible. This decision not only reduced their premium but also allows them to directly benefit from reduced claim costs achieved through an engaged approach to risk management.

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Minimizing risk. Maximizing health.®

MRMH

Client profile



Staffing firm

-56%

Total NCCI Mod reduction

5-year avg. premium rate reduction

-47%

Horizon
America

-56%

JM
Companies

Developed loss ratio

26%

Horizon
America

11%

JM
Companies

Learn how our risk
management advisors can help
you obtain measurable results.

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The result

Horizon America's commitment to safety and risk management has yielded impressive results:

- Successfully expanded into Indiana as JM Companies with an additional carrier partner.
- Consistently decreased its experience modification factor year after year, achieving an unheard-of NCCI mod rate of 0.45 for a light industrial staffing agency, a -56% NCCI Mod reduction for both entities.
- Maintained a developed loss ratio of 26% while decreasing the average workers' compensation rate by 47% in New Jersey.
- Grew payroll by 1000% over 5 years in Indiana while running a developed loss ratio of 11% and achieving a 56% decrease in average workers' compensation rate.
- Maintained a strong relationship with their workers' compensation carrier partner for over 9 years, demonstrating receptiveness to feedback and actively implementing recommended improvements.

Horizon America exemplifies excellence in risk management within the staffing industry. Their proactive approach to managing risks, commitment to safety, and strategic growth initiatives have led to remarkable achievements, including a significantly reduced experience modification rate and successful expansion into new markets. Their dedication to continuous improvement and engagement with both their insurance partners and clients positions them as a recipient of the Minimizing Risk Maximizing Health (MRMH) Award.

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MRMH

Learn how our Risk
Management advisors can help
you obtain measurable results.

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