



Going Green

Chris Kramer discusses his new role at Green Mountain plans for the company's expansion and opportunities it can offer existing and potential clients

What are you responsible for in your new role at Green Mountain Sponsored Insurance Company?

As the managing director, my primary responsibility is to lead the expansion plans of Green Mountain, which includes sales, marketing and client fulfillment. While Green Mountain has been successful since it was formed in 2012, I plan to leverage our independence, experience and servicing capabilities to add more cells in the coming years.

What opportunities does Green Mountain offer to clients and potential clients?

As an onshore sponsored captive located in Vermont, Green Mountain provides clients with easy and cost-effective access to a stable and secure captive facility. Green Mountain has done a wide variety of captive programmes, such as casualty, property, and employee benefits, for both single entities and groups, and is open to support any type of sound captive programme.

As year-end quickly approaches, Green Mountain's ability to implement programmes faster than the time it takes to set up a standalone captive will be attractive to some clients.

Lastly, we are excited about the ability to support agency captive programmes for retail and wholesale firms, now that Vermont has expanded its law to allow such programmes.

How do you expect Green Mountain to expand over the next 12 months? Are there any plans in place?

Over the past six months I have been working with Green Mountain's board to develop a strategic marketing initiative that is going to build the Green Mountain brand and implement a focused marketing effort that leverages our collective relationships.

We rolled out the Green Mountain website in August, and to help our brokerage partners and prospects recall our brand, we've started to use the tag line 'Go Captive. Go Green'. The new tag line helps make it easy to remember us.

What trends are you seeing in the US captive industry?

Generally speaking, the biggest trend is really not a trend—captives continue to be used in the US despite an enduring soft commercial market. Aside from that, we are witnessing a surge in using captives for medical stop-loss plans, particularly for groups of mid-sized employers.

I find this trend similar to the growth of commercial lines group captives, which trace their beginnings to the late 1970s and early 80s. In both cases, there was a disruption in the insurance marketplace.

We expect the rise in the popularity of medical stop-loss captives to continue. Pushing that growth are benefit brokers, carriers and diversified insurance intermediaries. We are also seeing an increase in interest around agency captives, for both employee benefits and commercial lines. On the other hand, the interest

level in small captives seems to have eased up, given the Internal Revenue Service's intense efforts to quell the growth of this segment of the market.

What challenges do you think are the biggest concern in the US captive industry?

Finding and nurturing new talent into the insurance and captive industry is a big challenge. Insurance is not sexy nor is it a career that most people think of pursuing, however, I do believe we can attract talent by promoting our industry as one that rewards entrepreneurs, especially when integrating the use of technology, predictive analytics and paradigm changes. Like one of my favourite books states: "Sacred Cows make the Best Burgers."

The author Robert Kriegel explains that just because we "always did it that way" we shouldn't keep on doing it. What better example than Lemonade, the peer-to-peer risk-sharing business model that is changing how personal insurance is provided.

Why did Green Mountain domicile in Vermont? And how does the state differ from other domiciles?

Green Mountain was purposely designed to be a turnkey captive insurance alternative for organisations looking for an onshore captive solution.

While Vermont is credited with being the first US captive domicile passing protected cell captive insurance legislation in 1999, there were other domiciles with similar cell legislation by the time Green Mountain was incorporated in 2012.

However, by selecting Vermont, clients of Green Mountain would also be the beneficiaries of the state's highly commended governance and regulatory environment.

Vermont has experienced regulators, and staff could help Green Mountain in meeting the needs of different owners and a range of captive structures so often presented in a cell captive format. **CIT**

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Chris Kramer, managing director, Green Mountain Sponsored Captive Insurance Company

