

# Moving & Storage

## Watch List 2020 & Beyond

As we move through 2020, we've compiled a list of critical issues and topics for executives to keep on their radar for this calendar year.

### ENTERPRISE RISK MANAGEMENT

Risk is everywhere and has been rapidly changing at an increased pace. Does your organization have a methodology to identify and prioritize risk to make sure you're focused on managing it effectively? Are you turning risk into an opportunity?

### ECONOMY

The economy has cooled off with slowing growth, but ITR expects it to pick up by the end of 2020 and even more so in 2021. ITR is also predicting a downturn in 2022-2023 that could be as bad as the Great Recession.

### DRIVER SHORTAGE

Attracting qualified drivers continues to be the leading concern for the industry. What unique methods are you using to find or develop drivers?

### HR TO GROW

HR To Grow: HR is the new sales. No longer can companies "sell" their way to growth. They must now recruit to grow. The best companies recognize this and have devoted extra resources to talent acquisition. Recruiting is now a regular metric that many CEOs track.

### TRUMP & POLITICS

How will tax reform impact your business and the competitive landscape in your market? What will happen with ACA? What else will the current administration do that could impact your business?

### DIVERSIFICATION

While companies are finding it more difficult to earn a profit in household good moving, successful firms are finding other markets that can utilize their services.

### DISTRACTED DRIVING

It's unfortunate, but it's far too common and makes defensive driving even more important. Passenger vehicle drivers are more unpredictable on the road than they've ever been, making your truck drivers' jobs more difficult.

### IN CAB TECHNOLOGY

Mandated ELD's, telematics, cameras, and driver assistance tools are here to stay. Have you studied the impact and the potential cost/benefit of having each in your trucks? With truck insurance costs rising rapidly, these tools can help curb your losses, keeping premium increase to a minimum.

### INSURANCE COSTS

The insurance industry has lost money on auto insurance every year since 2011. Price increases have been significant, especially in excess layers, due in large part to "social inflation." How are you controlling your losses to make sure you are in the best negotiating position?

### CAPTIVE INSURANCE

With insurance costs on the rise, many have turned to captives or loss sensitive models, betting on themselves. This can be a viable strategy as long as losses are kept in check, but it can be costly if claims trend poorly.

### OWNER-OPERATORS VS. EMPLOYEES

Are you looking to hire employees, contractors or whatever you can find? Most are taking a flexible approach, allowing their drivers to decide.

### CYBER CRIME & SYSTEMS

It's no longer a matter of if, but when you'll get hacked. Are you as secure as you should be? What's your plan if a cyber event happens?

### SOCIAL INFLATION

Millennials are now a larger part of juries, who have a tendency to be more socially conscious, more sympathetic to injured plaintiffs, and significantly more likely to award large verdicts, holding corporations to a higher standard than past generations.

### CASH & DEBT

Is your company equipped to handle a minor correction? The economy has been as predictable and consistent as it's been since the Great Recession. Does your financial position reflect that?

### CORONAVIRUS PANDEMIC

No one knows how bad it will get, but with all of the media attention, can you afford not to act or plan for the worst? Insurance coverage, in many cases, is questionable, at best. Are you able to stock up on inventory, or is it too late?

### VAN LINE RELATIONSHIP

Are you part of a van line? If so, are you embracing the relationship? Many have developed strategies to keep more of the business and the service in-house, rather than sending it through the system.

Insurance / Risk Advisory / Employee Benefits

# HORTON

Horton is an insurance, employee benefits and risk advisory firm that leads clients with complex needs and limited resources to a higher level of performance. We help clients understand enterprise risk and offer solutions to turn these perceived costs into a competitive advantage.

# Employee Benefits

## What's on the Horizon?

### The Reality of Today...It's Tough to Find Quality Talent!

With the employment market tight, employers continue to enhance benefit offerings, which includes a boost of paid paternal-lave programs to student loan assistance to nontraditional or creative ideas. In an employee-driven market, there's a variety of interesting and new benefit offerings (coming out regularly).

#### ALTERNATIVE FUNDING / CAPTIVES

Have you looked at your options? Self-funding, captives, level-funding, and more, can provide alternatives to the fully insured marketplace, which is failing to work for many in the market today. Benefits could lower cost (risk/reward), price transparency, and unique network strategies.

#### TECHNOLOGY/HRIS SYSTEMS

Are you using technology to better communicate with employees (i.e., Healthjoy)? AI Bots can provide guidance for consumers, to better/cheaper points of care, including increasing the use of the more cost efficient and convenient, telemedicine. Email may also not be the best way to communicate important messages.

#### DISEASE MANAGEMENT

What are you doing to reach and help the people who are really sick while also driving down claims? If fully insured, have you thought about the programs that your carrier offers?

#### PHARMACY BENEFIT MANAGEMENT

If you are self-funded, have you carved out your PBM? Advantages could include:

- Cost Reduction (including additional discounts and rebates)
- Flexible plan design
- Clinical programs
- Transparency & Tracking (claims data, audits, performance guarantees)

#### CREATIVITY IN VALUE ADDS

Benefits are not just a “nice-to-have” with employment. These are critical hooks to attraction AND retention. The shift now is focusing on perks that affect employees' day-to-day lives, such as onsite vision screenings, haircuts, or even dry cleaning. Are you considering every option of investment to show value to your workforce?

# The Looming Cost of Health Insurance

Employers continue their struggle to balance cost containment and the demands of their employees. Cost containment strategies are evolving, yet require a long-term focus. Viewing insurance renewals in a 12-month increment is no longer effective.

## OUTCOMES-BASED WELLNESS PROGRAMING

Is your wellness program working for you? Are you getting the behavioral change you've been looking for? If not, consider an outcomes-based approach, as an alternative. It's not a silver bullet, but it has helped many organizations by focusing on the unhealthy/out of range employees by incentivizing improvement while rewarding your healthy employees. Your culture may not be as ready for this as your wallet, so determine how badly you need to reduce cost before implementing. At some point, you may not have a choice.

## THE CASE OF BEING “FUNCTIONALLY INSURED”

Are your employees “insured without coverage”? In other words, has the cost of health insurance forced you into ever-increasing deductibles, copays, and out of pocket maximums? If so, you may be losing talent or equally as bad, bankrupting the excellent talent you have. The number one cause of bankruptcy in America has now become unpaid medical bills.

