



WCI INED event 240918

# How would your board respond to a catastrophe event

Jonathan Clark - SCOR Business  
Solution Claims

## A little about me

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### **JONATHAN CLARK – Global Head of Business Solutions Claims**

Qualifications: MA, MSc, Dip Eng, ACII, FCILA

A Chartered Loss Adjuster and Chartered Insurer Jonathan has over 35 years claims handling experience. He has dealt with claims in more than 50 countries and has worked with many of the world's largest corporations on their claims programmes. He has designed and implemented claims compensation schemes for governmental bodies and was Claims Director of the Financial Services Compensation scheme from 2007 to 2009.

After a lengthy career at executive level in the world's largest claims adjusting firms, he joined SCOR in 2013 as head of claims in London. Jonathan is now Global Head of Claims for Business Solutions within the SCOR Global P& C.

Jonathan is past President of the London Business Interruption Association, past Treasurer of the Insurance Institute of London immediate past President of the Chartered Institute of Loss Adjusters and President of the Chartered Insurance Institute.

He holds degrees in Biochemistry and Biochemical Engineering from Oxford and London Universities. Hobbies include music and sailing in which he has been a member of the British Sailing team as well as a regular columnist for a leading magazine.



# What you might want to see as a NED HIM briefing – commercial book



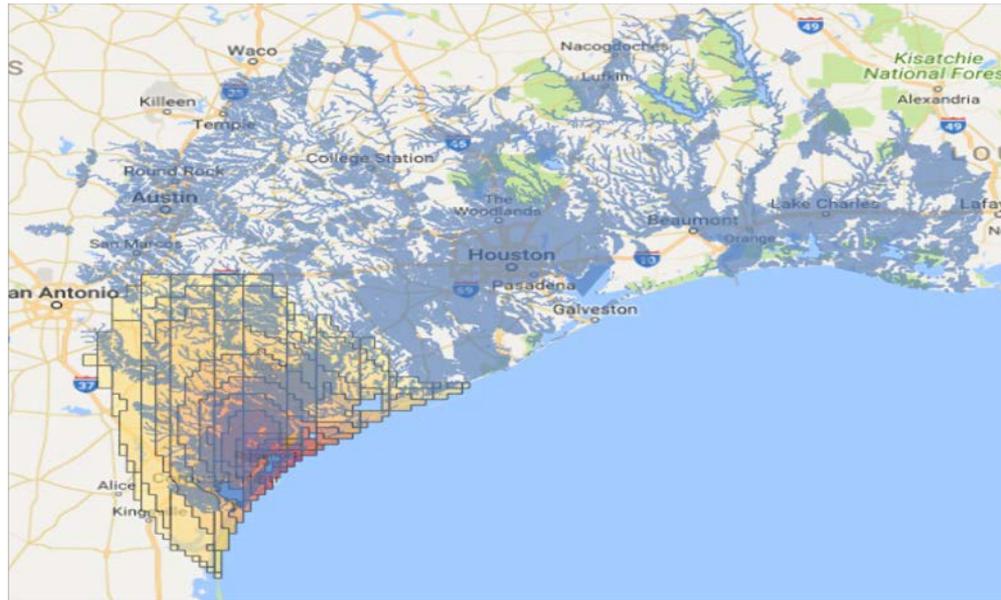
Image sourced from ABC News



# Hurricane Harvey – Cat 4

**Aug 24<sup>th</sup> – Aug 27<sup>th</sup> (Texas & Louisiana)**

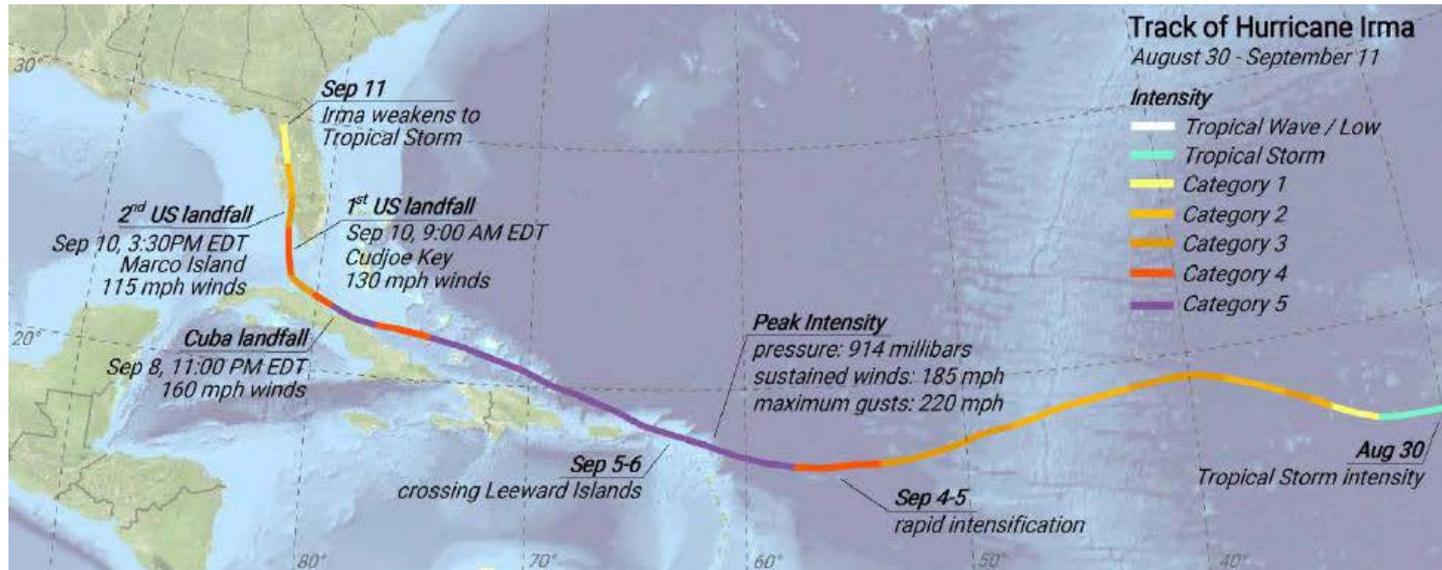
- Wind speeds of 130 mph, 24.83 inch rainfall with majority of damage from widespread flooding rather than wind
- Pattern of loss has a number of medium sized losses (USD1-15M)
- Upward volatility arising from several larger PD claims and BI exposures
- Petroleum and Coal products manufacturing account for 37% of potential revenue loss



# Hurricane Irma – Cat 5

Aug 30<sup>th</sup> – Sep 11<sup>th</sup> (Caribbean, Florida & US mainland)

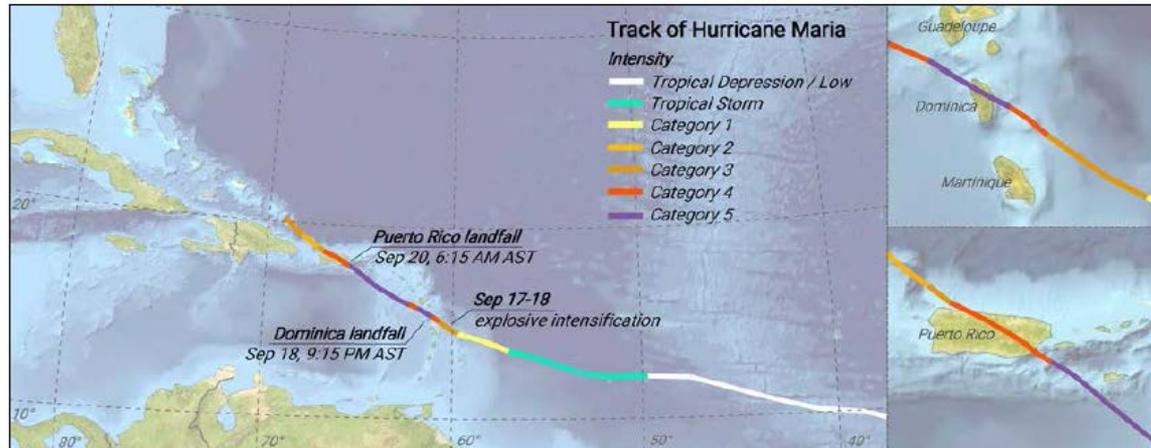
- Sustained windspeed of 185 mph in the Caribbean islands and Florida
- Pattern of loss has some low to medium size losses – significant losses for hotel chains
- Predicted landfall allowed pre-planning to secure buildings and supplies
- Initial predictions were for a landfall in Miami – evacuation orders made



# Hurricane Maria – Cat 5

## Sep 17<sup>th</sup> – Sep 20<sup>th</sup> (Dominica & Puerto Rico)

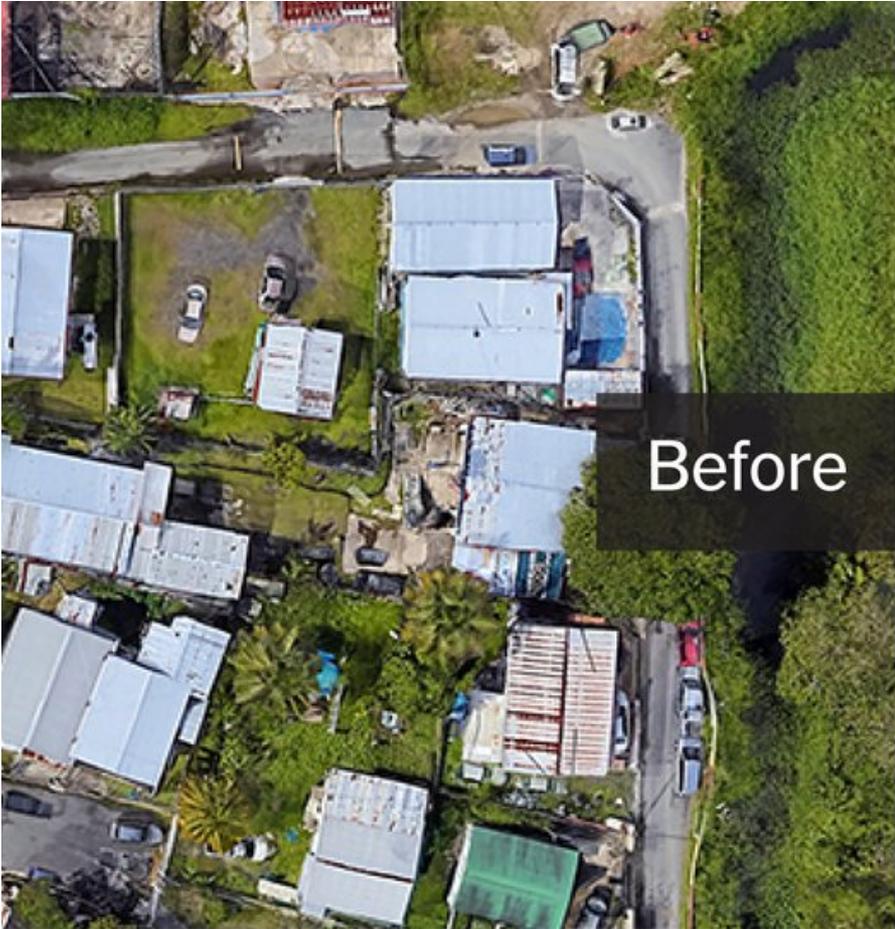
- Followed similar path to Hurricane Irma, inflicting further damage to buildings and infrastructure
- Extensive damage and power outages in Dominica and Puerto Rico
- RMS estimate included PD and BI losses with majority caused by wind damage
- Loss of power to the entire island impacting especially for Pharmaceutical BI



Source: Aon Benfield Impact Forecasting Data source: NHC, NASA



# Some areas to look at – inform, challenge, support



Before



After

Source: New York Times

# What is the exposure data – what risks are potentially exposed?



## Some elements for successful claims handling you should be looking for

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- What monitoring is there of expected claims versus known and reserved
  - We have used a RAG system to track claims reserving progress
  - A system for identifying claims in the model and non modelled claims
- Is there a “ground truth” that is known?
- Who is involved in managing the event?
  - How is BAU to be progressed?
  - What resources are deployed on each aspect?
- Can the Cat response plan be customised easily?
- In terms of claims estimating it is better to be “roughly right rather than precisely wrong”

The key question to ask

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# Common Features

**What is unique about the incident,  
what is unique about its impact?**

# Unique Features