



**Higginbotham™**

**Lead with Values and  
Value Leads.**



**Due October 6, 2021**



## Contents

Executive Summary

Experience and Qualifications of the Firm

Services Offered

Technological Innovations

Price

Diversity and Inclusion

Local Preference

Community Engagement



## Executive Summary

We at McMahon Hadder Insurance, A Higginbotham Company (McMahon Hadder Insurance) wish to express our appreciation for this opportunity to propose our brokerage and consulting capabilities to the Escambia Children's Trust (ECT). It is our intent to deliver our complete portfolio of insurance products, marketing resources and expert consultants per the specifications in your request for proposal, and we will demonstrate how within this response.

As one of the nation's 20 largest independent brokerage firms, Higginbotham is well equipped with the experienced professionals, market relationships and technology required for your entire insurance, risk management and financial services program. We provide access to business insurance, employee benefits, voluntary worksite benefits, executive benefits, retirement plans, life insurance and home/auto insurance.

But Higginbotham's capabilities extend far beyond insurance placement. We complement our brokerage services with year-round support in safety/loss control, contract review, claims advocacy, employee benefit communications, health risk management, HR technology, employee call response, Section 125 administration, COBRA administration and compliance—all seamlessly performed by our in-house experts.

Employee owned and customer inspired, we're an insurance and financial services broker that's family to our employees, accountable to our clients, teammates to our carriers, and generous to our communities. By using our independence to commit to transparency and demonstrate authenticity, we're a company that leads with values so value leads.

Our commitment to clients and employees alike has earned Higginbotham a reputable standing within the industry and local communities. Honors including "Agency of the Year" from National Underwriter; "25 Most Innovative Agents in America" by Rough Notes; and "Best Companies to Work for in Texas" by Texas Monthly are testimony.

As proud of our endeavors as we are, our utmost concern is meeting your service expectations. Higginbotham's mission is:

*To exceed the expectations of our clients, employees, carriers and communities in a partnership to deliver a single source for insurance and financial services.*

I look forward to learning more about your service expectations. Thank you for your consideration.

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McMahon Hadder Insurance, A Higginbotham  
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## Experience and Qualifications of the Firm

### History of Our Firm

McMahon Hadder Insurance is an independent insurance agency formed in 1999 by Donnie McMahon III and Bill Hadder. John McMahon later joined the leadership of the agency, and today Donnie and John McMahon are Managing Directors of the firm. Since the inception of the agency, McMahon Hadder Insurance has provided robust commercial insurance, personal insurance and financial services to Pensacola and the surrounding communities. At McMahon Hadder Insurance, our belief in strong relationships is the cornerstone of our success in customer service. Our customers expect professional, complete insurance protection at fair and competitive prices. We are dedicated to exceeding their expectations. In October 2020, McMahon Hadder Insurance merged with Higginbotham Company.

Paul C. Higginbotham founded a personal insurance agency in his Fort Worth Riverside neighborhood in 1940. By 1943 with World War II raging, he was called to service and sold the agency. After returning from service, he started anew in 1948, operating the firm as a sole proprietorship from a single office in Fort Worth for four decades. Ownership changed in the early 1960s when Paul's nephew Bill Stroud purchased the firm, which he managed until 1989 when current President/CEO Rusty Reid assumed leadership and implemented a broad-based employee ownership structure that continues today.

At that time, Higginbotham also expanded its product and service offering to include a full array of insurance and financial service products for businesses and individuals. During the past 30 years, the firm's capabilities have been enhanced to meet the evolving service needs of its clients. Higginbotham now has global capabilities for the entire range of risk management and employee benefits consultation and administration.

Higginbotham is headquartered in Fort Worth, TX, and operates more than 50 additional offices across Texas and in Arkansas, California, Colorado, Florida, Georgia, Louisiana, New Mexico, Oklahoma and Tennessee. Each has complete insurance, risk management and financial service capabilities, strong footholds in their local markets and excellent reputations for personal service. Together, we form the largest independent insurance brokerage firm based in Texas and the 20th largest in the U.S.

Higginbotham has grown every year since 1987, with revenue during the last five years shown below. With more than 40,000 independent insurance firms in the country, Higginbotham ranks among the largest. According to Business Insurance, Higginbotham was the 20th largest independent firm based on revenue from U.S. operations in 2020. Our book of business is comprised of approximately 34,000 commercial P&C accounts, 31,000 personal P&C accounts, 9,000 employee benefits accounts and 9,740 individual life and health accounts. Our historical revenue is as follows:



2016—\$155.2 million; 2017—\$170.0 million; 2018—\$200.4 million; 2019—\$244.7 million; 2020—\$318.6 million

McMahon Hadder Insurance is incorporated in the state of FL. Higginbotham Company is incorporated in the state of Texas. Both entities are in good standing with each of these states and have complied with all state filings necessary. Neither entity has legal teams under contract to provide services. McMahon Hadder Insurance does not offer legal representation, but there are lawyers in our team who can provide insurance and risk management reviews of contracts and claims matters. Any legal advice or representation would need to be handled by the client directly. There have not been any termination of contracts by any municipality with cause or due to failure to provide proper services.

As with any entity doing large amounts of business, Higginbotham is sometimes sued by clients and is currently involved in litigation matters. Typically this is due to a denial of coverage by the carrier, and Higginbotham is sued along with any other parties who were involved in the insurance transaction.

### **Service Team**

The proposed service team is led by Tara Jones who will oversee all broker services, including coverage analysis, insurance placement and customer service. Tara Jones has worked as a commercial insurance agent for close to 14 years with McMahon Hadder Insurance. She has experience and knowledge working with other similar complex organizations and understands the value in lowering the total cost of risk through risk identification, transfer and management. Over the course of her 14 years as an agent, she has obtained both the Certified Risk Manager (CRM) and Certified Insurance Counselor (CIC) designations through the National Alliance for Insurance Education and Research organization. In addition she has completed the Energy Risk Insurance Specialist (ERIS) designation and is set to complete the Construction Risk Insurance Specialist (CRIS) designation through the International Risk Management Institute (IRMI) by the end of 2021. Tara obtained her Bachelor of Science degree from Florida State University in 2003 and Masters of Business Administration from the University of West Florida in 2010.

Kathy Howard has worked in the insurance industry for over 35 years and has been with McMahon Hadder Insurance for 20 years. She obtained her Certified Insurance Counselor designation from the National Alliance for Insurance Education and Research organization. She has experience in working with similar accounts and understands the services and needs associated with these clients. She will be responsible for preparing the marketing submission, negotiating with carriers and binding coverage. Mrs. Howard will be your first point of contact for account services like policy change requests, invoicing, endorsements, billing inquiries, document requests, loss runs and audits. These team members have experience working on accounts of similar size and scope.

This service team's capabilities will be complemented by our Risk Management Department professionals in the areas of safety/loss control, contract review, risk management information systems and claims advocacy.



### Description of ECT's Insurance and Risk Management Needs

Our approach to providing the services sought by the ECT comes through the process of identifying the risk exposure, appetite and strategy for each client. We perform an operational risk review (ORR) and policy analysis to help us understand the operational risks associated with a client's operations. The ORR includes onsite visits, claims trending, contract review and other data analysis, as appropriate, to determine which coverage lines and loss control services fit the client's unique risk profile.

We understand that every client, even those within the same industry, requires a well-crafted marketing strategy. So, we take the time necessary to become familiar with a client and its unique exposures before approaching the market. Our research includes historical data gathering, property profiles and onsite visits so that we accurately present your risks to carriers in the most favorable terms.

Once the marketing submission is prepared and reviewed with the client, it is delivered to the carrier community. After bids are received and preliminary negotiations, we invite short-listed carriers to interview. Then we provide you with a marketing report that compares the carriers' bids along with our formal recommendation.

The insurance and risk management needs of the ECT will continue to evolve along with the organization. Effective communication and proactive collaboration will guarantee a successful implementation of a robust, holistic, risk management program. Our agency understands the needs associated with clients similar to the ECT and we will work together to create a partnership for a value based risk management program.

Our firm has extensive experience in performing the type of services requested by the ECT. The following are references which can be contacted.

The Rockhill Group (Client of McMahon Hadder and Tara Jones)

Jessica Rockhill, CFO – 850-754-0400; [Jessica.Rockhill@therockhillgroup.com](mailto:Jessica.Rockhill@therockhillgroup.com)

AMR at Pensacola, Inc. (Client of McMahon Hadder and Tara Jones)

James J. Reeves, Chairman – 850-438-4400 [jjr@jjrfirm.com](mailto:jjr@jjrfirm.com)

Carson Lovell, Inc. (Client of McMahon Hadder and Tara Jones)

Ed Carson – 850-438-7778- [edcarson@carsonlovell.com](mailto:edcarson@carsonlovell.com)



## Services Offered

As an independent brokerage firm, McMahon Hadder Insurance is not obligated to promote any one product, carrier or program. We represent more than 100 financially sound (rated A- and better by A.M. Best Co.) standard and excess national and regional property/casualty carriers, giving our clients competitive options for all coverage lines. With our size, we place hundreds of millions in premium dollars annually. Multiple carriers have given our firm preferred designation in response to our high business volume, sound underwriter relationships and ethical practices. We leverage these designations to negotiate favorable terms and pricing for our clients when appropriate.

Our firm has an in-house Risk Management Department staffed with loss control and claims personnel to supplement those services performed by your carriers. We combine pre- and post-loss services for a 360-degree risk solution. To prevent loss, we identify exposures, review contracts, conduct safety training, validate certificates, support compliance and provide technology tools. To minimize loss after a claim, we report claims to carriers, analyze the involved insurance policies, work to maximize recoveries, offer litigation consultation and respond during catastrophes. These comprehensive services serve to reduce your total cost of risk.

**Safety & Loss Prevention**—Our loss control consultants conduct safety training for business operations and personnel to reduce the frequency and severity of claims. The programs we implement address the safety concerns unique to your business environment and may include a combination of fleet, ergonomic, property, machine guarding and haz-com programs, among others.

**Contract Review**—We examine the liability you assume in your business contracts and agreements and then advise on the options you have to avoid, lessen and transfer those risks with changes to your insurance coverage.

**Claims Assistance**—We perform claims analyses to identify loss trends and to develop best practice models that enhance your internal procedures and reduce the occurrence of claims. And when you do experience a loss, our licensed claims adjusters negotiate with carriers on your behalf to yield a fair settlement. Our adjusters are available after hours and on weekends via toll-free phone line, and we make special preparations during weather-related catastrophes.

**Certificate Validation**—CertCon Services is Higginbotham's in-house certificate and contract management group. We electronically process your certificates of insurance to help ensure your vendors, tenants and subcontracts have adequate protection against property and liability claims. Data is readily available to you via CertCon's online WebReport.



## Technological Innovation

We provide access to CSR24, a website that gives clients the ability to obtain certificates of insurance on demand from their own computers. The easy-to-use module also lets you print auto ID cards, request certain policy changes and view policy information. We also have a Certificate of Insurance Representative who takes client requests for certificates and issues them within 24 hours in most cases.

For clients that handle certificates for multiple vendors, tenants or subcontractors, Higginbotham offers a unique certificate management tool called CertCon Services. CertCon electronically processes your certificates to help ensure your vendors have adequate protection against property and liability claims. Then data is made available to your via CertCon's online WebReport.

We supplement our risk management consulting with practical technology solutions powered by Zwave. MyWavePortal®—This website is your hub for every imaginable resource you need to efficiently manage your risk management program. Your MyWavePortal® is fully personalized to put time-saving tools at your fingertips. You have access to a searchable library of industry-specific safety communications like manuals, newsletters and posters, benchmark surveys and an interactive community of industry peers from across the country for questions and answers. The site is also your link to Zwave's other technology tools.

Our team works on an agency management system called Applied Epic. It is one of the leading platforms in the insurance industry which facilitates streamlined work flow processes both internally and remotely when needed.



## Price

The fee for our insurance placement and risk management services would be \$5,000 annually plus commission in any policies which commission cannot be netted out such as but not limited to worker compensation and National Flood Insurance Program policies.

Payment schedules will be dictated by the carriers and not the agency. Some carriers offer installment plans which include a nominal fee. Other carriers will require the premium is paid in full such as the National Flood Insurance Program. For policies with carriers that do not offer an installment option, such as a commercial property policy a finance company is available to set up payments which would include a competitive interest charge.

## Diversity and Inclusion

Our company is committed to acknowledging and valuing employee differences and to creating an environment in which every individual's unique strengths and abilities are developed and valued. All employees share in the responsibility for creating this environment and are expected to demonstrate mutual respect and acceptance in the workplace. We believe that utilizing our employees' uniqueness enhances communication, problem-solving and decision-making skills, thereby improving our company's productivity and performance. We also believe that if our employees mirror the diverse make-up of our communities and our customers, we will be able to better understand, and more effectively respond to, market changes. We strive for excellence in our ability to create an inclusive, respectful, and equitable environment for our employees through leadership, policies, and practices.

## Local Preference

McMahon Hadder Insurance is located at 11 W Garden St Pensacola, FL. Our office will continue to operate at this location offering a local contact with a national partner.

## Community Engagement

McMahon Hadder Insurance has a long history of giving back to our local community through monetary donations and service work. Some of the recipients of our local partners include:

United Way

Gulf Cost Kids House

Pensacola Little Theatre

Children's Home Society



Achieve Escambia

Pensacola State College

Pensacola Opera

Pensacola Museum of Art

Ballet Pensacola

Baptist Hospital Foundation

West Florida Foundation

Catholic High School

ARC Gateway

Capstone Adaptive Learning

Ronald McDonald House of Northwest Florida