



Chair's Report: September-October 2008

Filling the niche

**Barry Romano of Albany Housing Authority of Albany, New York
2008 – 2009 Chair HAI Group's Board of Directors**

If it has not already, insurance for affordable housing is becoming a commodity. The soft market of the last few years has hastened that reality and – with many of us who remember the insurance marketplace of 1986 now retired or moved on – member loyalty is understandably growing increasingly scarce. Another hard market cycle would probably resurrect it to some degree, but HAI Group has never taken a wait-and-see approach to ensure that we remain the insurer of choice.

One of the most important objectives of your insurance companies is placing a strong focus on added, long-term value. This is nothing new for HAI Group, but I believe we are in a position to achieve unprecedented levels of sophistication and impact in the member services area. Cooperation with and support for the major public housing industry associations has been successful and the outlook for future productivity due to those relationships is positive. Efforts to make HAI Group as Project Based Management- and Project Based Accounting-friendly as possible stand alone in the marketplace and have been well received by the membership. Fortunately, we continue to have a staff that is committed to our mission. With their talent, and guidance from the Board and Committees, I am confident that the list of reasons to remain loyal to HAI Group will continue to grow and increase in value.

It is important to note that we have pursued this at the same time we have steadily reduced rates. Recent renewal cycle premium reductions have fueled a reduction in the total gross written premium levels of the companies. We are closely monitoring the potential long-range effects of this necessary reaction to fierce pricing competition. Achieving the right balance is the challenge, while providing members with a unique, superior combination of insurance products, pricing, and customized services is the goal.