

# History of PIMA

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# Three Questions

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1. How did PIMA get where it is?
2. How did PIMA start?
3. What was the driving force?

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## Better known as “Shoot Out at the O.K. Corral”

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- A small group of very competitive, sales minded, Napoleon-like insurance brokers
- Many served during WWII
- Insurance products sold were outside the traditional agency system model
- Virtually all sales done by a principal and one other person
- Products sold included life, hospital indemnity protection, disability, major medical

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- All products sold via direct mail mostly to professional associations
- Doctors, lawyers, teachers, engineers, accountants, and nurses were primary organizations
- Also VFW, American Legion, Alumni Associations

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- All products sold were to supplement poor employer-base coverages; All were cheap
- CNA Insurance was the major insurance company selling products to these associations
- Paper issued via American Casualty, Reading, PA and Continental Casualty, Chicago, IL
- Products were sold through established trust programs to avoid state licensing regulations

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## Primary concerns for “O.K. Corral”

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- CNA Insurance staff moved to other insurance companies -- INA, New York Life, Minnesota Mutual, Horace Mann
- “Other brokers” doing different things, some very successful, some interesting, but not part of the club
- New insurance regulators beginning to make it less easy to do business
- Clients began demanding more attention, money, control, etc.

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## Two leaders decided it was time to change the “Club” and invited dissimilar arch-competitors to a new party

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### Scene: “O.K. Corral” vs. Anti-trust violations

- March 1975, this group met in Kansas City and agreed to enlarge “the Club” by inviting new carriers to attend open discussions, share best practice information among competitors, focus on insurance regulation and expand new product development
- After much liquor, very frank discussions, agreement was reached among these competitors to become more successful through the ability to speak together

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### Scene: “O.K. Corral” vs. Anti-trust violations

- Through one voice they would be able to speak to insurance regulators and, most importantly, make more money
- PIMA was founded through the vision of Forrest Jones and Al Wohlers in 1975