

PLAY BY THE INSURERS' RULES

We spoke with Mike Pratt, a broker with Epic Insurance Solutions about placing coverage for clients that were upgrading to turbine equipment. As did the training providers we interviewed, Pratt told us flat out that anyone buying and upgrading into a turbine airplane will have to complete a training program acceptable to the particular insurer who issues the policy. There is no getting around it.

In general, Pratt told said, if a pilot is going to a single-engine turboprop, she or he is probably going to have to have some high-performance retrain time to get coverage. If the pilot wants to make the jump to a twin or a jet, significant multi-engine experience will be required.

Pratt said his company sees a lot of pilots go from a Cirrus to a Meridian/

TBM/Pilatus or from a Bonanza to a Meridian/TBM/Pilatus, so the insurers are used to such a transition. His company also has seen a number of pilots successfully transition from Bonanzas to Barons and then to King Airs and jets.

Also, a majority of the underwriters (the people at the insurance company who make the decision about insuring a pilot) he deals with are pilots, and they know that flying many of the light jets are comparable to or easier than the turboprops.

Often the question of coverage is not so much a matter of the particular type of aircraft as it is the number of seats, the airspace the pilot will be operating in, the airports to be used (either busy and unfamiliar or remote and more difficult) that add to the factors the underwriter looks at in writing the transitional risk.

Pratt said his company was able to place coverage for pilots with 1500 hours total time that were upgrading to Citations because each had a lot of multi-engine time.

If a pilot has some good high-performance time, a well laid-out plan for transition training, is more than willing to do whatever the carrier asks with regard to initial training and mentor time and doesn't try to take shortcuts, Pratt told us that his company has found that it can place coverage for that pilot for a turbine upgrade.

Also, as the pilot gets more flight time in the airplane, there are more markets to shop at renewal other than just the original transition

market. A carrier that may not have written this risk at the transition may write the risk at 500 hours in type.

Finally, Pratt mentioned that

when an insured has a significant claim, premiums are likely to increase, but usually less than 10 percent.

Nevertheless, the increase often generates an angry response from the pilot and a change to another carrier. There are very few things that anger a carrier and/or an underwriter more than when they take a chance on a risk, the risk has a claim, they pay the claim and then the pilot changes carriers. That will be remembered by the carrier and the underwriter.

The low-time pilot in turbine airplanes insurance market is small and the underwriters at the carriers talk with each other—so the pilot can get a reputation for jumping between carriers. That can potentially cause the carriers to decline coverage and force the pilot into an even smaller market, substantially increasing his or her premiums.

