Core Specialty completes acquisition of ANAT to form medical stop-loss division

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Core Specialty has completed its acquisition of the MGU/stop loss business of American National Group (ANAT).

The deal, which was initially [announced in June](#), marks Core Specialty's 14th specialty business unit. The ANAT MGU/stop loss business produced over $300mn of gross premium income in 2022.

The acquisition involved a cash purchase of 100 percent of the stock of Standard Life and Accident Insurance Company (SLAICO) and certain reinsurance transactions. Core Specialty anticipates this transaction will enhance earnings per share and return on equity in 2024.

Jim Stelling has assumed the role of President for the newly established Medical Stop-Loss division, which maintains its headquarters in League City, Texas.

With a tenure at ANAT since 1999, Stelling has held various leadership roles, including Executive Vice President of Health Insurance, Senior Vice President of Health Insurance Operations, and Vice President of Compliance.

In conjunction with the Fronted Casualty division, Core Specialty is projected to have a combined gross premium income exceeding $750mn and over $40mn in fee income, as per the full-year 2022 results from these two business units.

ANAT will maintain administration of excluded businesses reinsured by ANAT through SLAICO, encompassing specific life, annuity, and health insurance policies.

"Core Specialty's vision is to become the leading specialty insurer, and finalizing this transaction is another step in the direction of that mission," said Jeff Consolino, Core Specialty's founder, president, and CEO.

"The medical stop loss market has grown at over a 12 percent annual rate since 2014 according to AM Best market data. Medical stop loss is an attractive class of business to

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us due to its specialty nature, the fact that it does not correlate with our other specialty classes of business, the ability to generate appropriate underwriting profits, and the resultant attractive return on capital" Consolino added.