RETURN-TO-WORK: Employers adapt as mental injury claims rise - PAGE 4

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Comp grapples with mental injury claims

BY LOUISE ESOLA
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Reintegrating an employee who has experienced a compensable mental injury into the workplace is a complex process that requires the same treatment, communication and claims management strategies used for all workers compensation cases, with one main difference: subjectivity.

Mental injuries lack the objectivity of physical injuries, requiring employers, claims handlers and providers to better understand what part of the work caused the mental condition and to focus on helping the injured worker reach maximum medical improvement, according to experts.

Although still a small portion of workers comp claims, coverage for mental injuries continues to be a legislative trend (see related story). In parallel, experts say mental health diagnoses in workers comp are increasing, especially where there is also a physical injury, as the stigma around mental health problems diminishes.

Driven by policy changes, the comp industry is managing diagnoses such as post-traumatic stress disorder, anxiety and depression. The disorders are defined in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, which is often cited in state laws permitting mental claims in workers comp.

States like Alaska, New York and Wisconsin have a broader definition and include "stress" in their workers comp laws, allowing claims for mental conditions caused by a stressor deemed "extraordinary."

The complexity could confuse an industry that's more used to fixing broken bones.

The concept of apportionment is important for workers comp, said Dr. Les Kertay, Chattanooga, Tennessee-based chief medical officer at Ascellus, a behavioral health provider for injured workers.

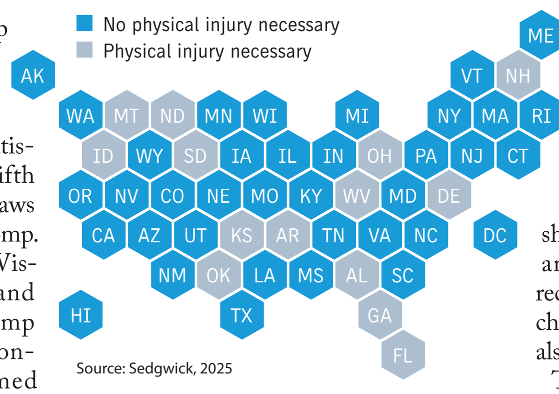
Employers and workers comp insurers used to avoid so-called psych injuries because of the subjectivity, he said. Now the problem may have reversed, with broad treatment through the comp system of every mental ailment affecting an injured worker, and a notion that a mentally unwell person can't return to work.

Dr. Kertay said his job is "not to make them perfect, which, as a therapist, I really want to do; I want to make you as good as you can possibly be. But my job is really to help you get back to the place where you can function."

Claims examiners need to understand that mental injuries are treatable and that injured workers can return to work and that "it's going to ultimately be better for them

MENTAL HEALTH CLAIMS IN WORKERS COMPENSATION

Virtually all states allow a mental health claim when it is attached to a compensable physical injury. An increasing number of states further allow a mental health claim with no requirement of a compensable physical injury.



Source: Sedgwick, 2025

if they can go back to work," he said.

The challenge for claims organizations and employers is: How can a worker return to a job or a place that caused the condition?

"There's an information gap that a lot of employers have about what is considered a treatable mental health condition and what is outside of that," said Mark Debus, Chicago-based clinical manager of behavioral health at Sedgwick.

The condition must be diagnosed correctly at the outset, said Dr. Ron Heredia, a psychologist and the director and founder of Los Angeles-based Good Mood Legal, which provides medical-legal consulting. An early misstep can inhibit return to work, he said.

A correct diagnosis determines the specific treatment plan needed to address the psychological condition, he said, adding that "what follows is a treatment process to address that specific psychological disorder."

That treatment schedule is somewhat flexible, he added.

Karen Thomas, Culpeper, Virginia-based vice president of clinical solutions for CorVel, warns against a one-size-fits-all approach to managing a mental claim.

"Humans are complicated," she said. "Not acknowledging individual differences is really going to undermine the success of recovery, of return to work."

There are benchmarks for mental injuries, just as there are for physical injuries that assess factors like mobility and movement, but measuring them can be complex and more nuanced, Mr. Debus said.

Professionals treating mental injuries should have experience in workers comp and focus their treatment on trauma recovery, he said, adding that it could be a challenge, given the shortage of professionals in the sector.

The industry can help by educating providers on return-to-work protocols, said Tammy Bradly, Birmingham, Alabama-based senior director of clinical product marketing at Enlyte Group. For physical injuries, many medical providers are familiar with terms like job analyses, work restrictions and accommodations — and many can be applied to mental injuries, she said.

For example, a job analysis provided to a treating psychologist can outline the essential functions of the job and the mental demands, she said. A thorough analysis "can go a long way in having appropriate return-to-work planning."

Accommodations can include a different work setup or classification, flexible schedules or more frequent breaks, she said.

Early intervention also is key, said Jennifer Cogbill, Frisco, Texas-based senior vice president of GB Care with Gallagher Bassett. "We have to understand that when somebody has these types of injuries, we need to draw on the expertise to help them recover, and we have those resources available," she said.

EXPANSION LAWS LOSE MOMENTUM

States continue to consider proposals to broaden acceptance of mental injuries in workers compensation, though recent results have been mixed compared with legislation in more than a dozen states in the past five years that expanded mental health conditions as compensable.

In a review of workers compensation-related legislation considered through mid-2025, The National Council on Compensation Insurance in September ranked mental injuries as the top issue. That reflects a years-long trend of expanding acceptance of mental injuries in workers comp, according to similar analyses released by the ratings agency.

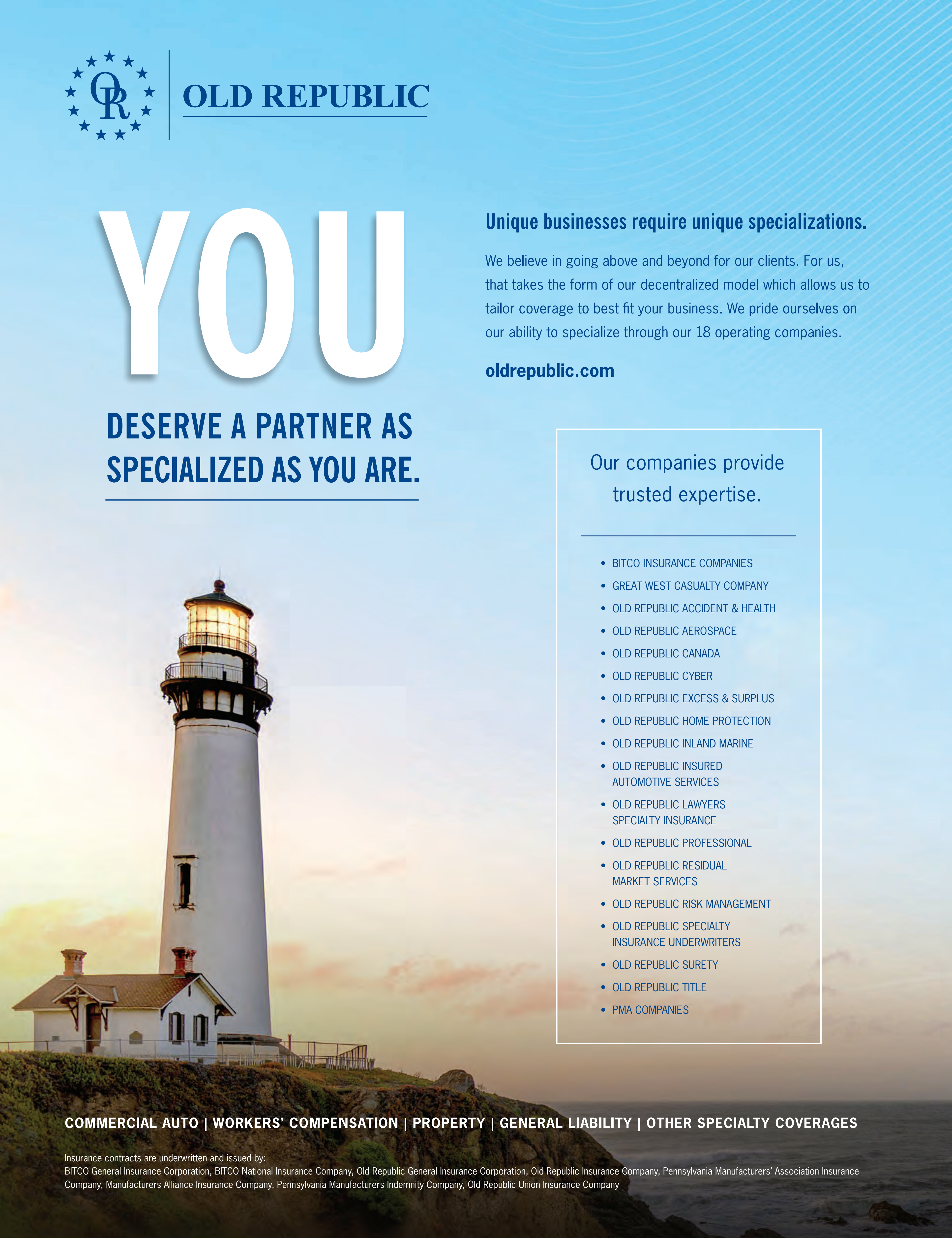
According to the NCCI's most recent legislative report, seven states — Hawaii, Illinois, Kentucky, Montana, New York, South Carolina and Texas — considered legislation this year to establish or amend coverage for post-traumatic stress disorder and/or other psychological injuries for certain first responders. Most failed to gain traction or were rejected as of October.

Bills expanding benefits to other worker classifications failed in two states: North Dakota considered legislation for PTSD coverage for all employees, and legislation in Kentucky would have broadened the definition of injury "to include a psychological, psychiatric, or stress-related change that is not a direct result of a physical injury" and added a rebuttable presumption for PTSD for educators. Similar bills in California and Washington are pending.

Nevada and Tennessee expanded mental injury presumptions for first responders.

Connecticut, which two years ago expanded mental injury coverage to all workers who witnessed a qualifying event, such as a death, considered legislation to extend coverage to include witnessing an injury "not resulting in death or loss of a vital body part or function as a qualifying event for post-traumatic stress injuries." Two measures in the state, one applying only to first responders, failed to gain traction, according to the NCCI.

Louise Esola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Human monitoring of AI necessary to oversee hiring processes, limit discrimination claims

BY CLAIRE WILKINSON
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Employers are increasingly using artificial intelligence tools to speed up hiring processes, such as resume screening, but human oversight remains essential to prevent unintentional discrimination.

Employment practices liability insurance policies should cover AI-related claims, but companies should expect questions from insurers, several sources say.

Evolving state and local regulations on employers' use of AI, including rules in California that took effect Oct. 1, increase the need for companies to manage the risks, according to experts (see related story).

> "The new technology of AI brings up the age-old risk of discrimination, namely disparate impact."
>
> Jon Janes, Woodruff Sawyer

AI can help HR departments review large numbers of applicants faster, but discrimination laws such as Title VII of the Civil Rights Act, the Americans with Disabilities Act and the Age Discrimination in Employment Act, "are still going to apply," said Joni Mason, New York-based senior vice president of national executive and professional risk solutions claims at USI Insurance Services.

Some states and cities have enacted laws governing the use of AI in the hiring process, so employers operating in multiple jurisdictions need to be cautious and ensure they comply, she said.

"The new technology of AI brings up the age-old risk of discrimination, namely disparate impact," said Jon Janes, Austin, Texas-based senior vice president and account executive for the management liability practice at Woodruff Sawyer, a unit of Arthur J. Gallagher & Co.

AI models used in hiring help sort potential candidates and identify desired characteristics or keywords on resumes. "While not discriminatory on their face, it can ultimately result in some impact against a protected class," leading to litigation, Mr. Janes said.

Legal, regulatory landscape shifts

Several lawsuits have been filed alleging discrimination against job applicants by AI hiring tools, and more are expected.

In a case filed Aug. 4 in federal court in Michigan, an applicant alleges that Sirius XM's use of AI hiring technology discriminated against him based on his race, resulting in his applications for about 150 IT positions at the company being downgraded and rejected despite his qualifications. He seeks class-action status for the suit.

On May 16, a federal judge in the Northern District of California granted conditional class-action certification for age discrimination claims in a closely watched lawsuit that a job hunter filed in 2023 against Workday, a tech company that handles HR services for employers. In *Mobley v. Workday Inc.*, the plaintiff alleges that Pleasanton, California-based Workday's AI systems and screening tools prevented him from finding a job despite applying for at least 100 positions since 2018.

Most of the litigation so far hasn't targeted employers directly but instead has focused on the technology companies that developed the AI screening tools, which allegedly built biases into algorithms, said Sara Jodka, a member at law firm Dickinson Wright in Columbus, Ohio.

President Donald J. Trump's executive order discouraging federal enforcement of disparate-impact claims could create a divide in enforcement among federal agencies, courts and states, Ms. Jodka said.

In April, he ordered federal agencies to deprioritize investigations and lawsuits related to disparate-impact liability.

New York and California are leading the way in employment laws related to AI, said Scott R. Green, Garden City, New York-based partner at law firm Goldberg Segalla.

New York City's local law 144, enacted in 2021, mandates annual audits of automated decision systems, including AI, Mr. Green said.

As of Oct. 1, updated regulations from the California Civil Rights Council ban employers in the state from using AI or automated-decision systems that discriminate against applicants based on protected classes under the state's Fair Employment and Housing Act.

The regulations require employers to retain data from all automated decision systems and encourage the use of anti-bias testing.

California's regulations hold employers responsible for the outcomes of any automated hiring system, including AI, Mr. Green said.

"You can't turn a blind eye to this. You can't say, well, it was the machine that churned out this data, we can't be held responsible. No, they want you to know you are held responsible," he said.

EPL coverage should respond

Employment practices liability insurance policies should cover AI-related claims, sources say.

If a lawsuit alleges discrimination, that's generally covered under the definition of an employment practices wrongful act, said Mary Anne Mullin, senior vice president, EPL and fiduciary product leader at QBE North America.

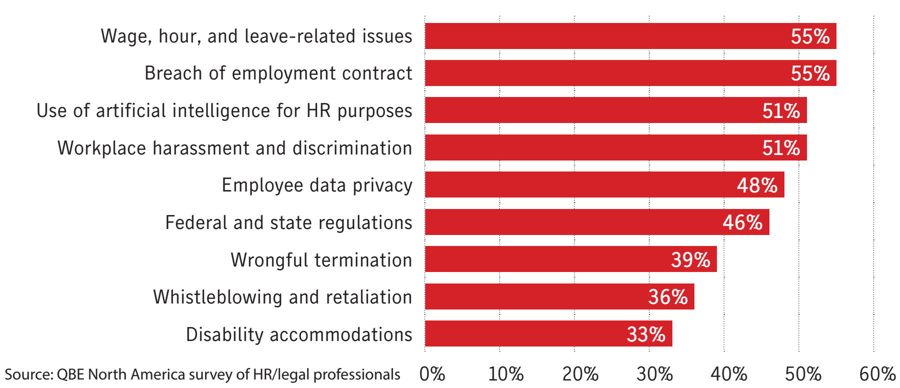
> "Discrimination is discrimination, whether it was done in real life or allegedly through some electronic means."
>
> Kelly Thoerig, Lockton

"We haven't seen enough to know how the coverage is going to be determined, but if it's a discrimination, wrongful termination, failure to hire because of gender bias, for instance, that's something that's traditionally covered under the EPL policy," Ms. Mullin said.

EPL insurance generally covers AI-related claims, said Kelly Thoerig, Richmond, Virginia-based U.S. directors and officers liability and employment practices liability product leader at Lockton.

"Discrimination is discrimination,

AREAS MOST LIKELY TO LEAD TO EMPLOYMENT CLAIMS



Source: QBE North America survey of HR/legal professionals whether it was done in real life or allegedly through some electronic means," Ms. Thoerig said.

Insurers are increasingly scrutinizing employers' AI use, she said. "This is an issue that underwriters are digging in on and asking more questions. It's not simply a check-the-box: 'Do you use AI or not?'" she said.

In QBE North America's Employment Practices Liability report released in August, about 51% of respondents identified the use of AI in HR as an area most likely to lead to employment-related claims in the next 12 months. The survey covered 200 legal and HR professionals at organizations with annual revenues between $500 million and $5 billion.

Some 54% of respondents in QBE's survey believe employee education and training related to the use of AI for HR purposes should be strengthened to reduce potential claims.

Strong governance and risk management is critical, said Will Lehman, Bloomington, Indiana-based global director of risk management at Cook Group and a board director of the Risk & Insurance Management Society.

New AI tools are becoming available every week, making it difficult for information security teams to shut down or block all these sites, he said.

"You can't control everything that your team members do," Mr. Lehman said.

Regular system audit educates organization on 'AI guardrails'

Businesses that use AI hiring tools should carefully evaluate the systems for potential bias before implementing the technologies.

Employers should audit the systems to ensure they do not have a disparate impact on any protected class, said Joni Mason, New York-based senior vice president of national executive and professional risk solutions claims at USI Insurance Services.

"That's really the only way you can keep up and update the data that's fed into these systems, because it's only as good as what goes in," Ms. Mason said.

Employers should question third-party vendors about how they verify the information and data their systems produce, she said.

Organizations should establish cross-functional groups to vet AI systems and ensure they comply with privacy and AI laws, said Will Lehman, Bloomington, Indiana-based global director of risk management at Cook Group and a board director of the Risk & Insurance Management Society.

Responsible AI policies should be implemented, including regular bias audits of the models being used, Mr. Lehman said. "That really educates people in the organization on what the AI guardrails are and what you can and can't do," he said.

Employers often rely on third parties to create these models and may not fully understand them, said Jon Janes, Austin, Texas-based senior vice president and account executive for the management liability practice at Woodruff Sawyer, a unit of Arthur J. Gallagher & Co.

How the models perform and affect hiring outcomes should be regularly evaluated, Mr. Janes said.

Humans need to be in the loop on all final hiring decisions, said Scott R. Green, Garden City, New York-based partner at law firm Goldberg Segalla.

"Don't just throw it to the machine and let it give you all the results," Mr. Green said.

Employers should include indemnity clauses in vendor contracts, he said.

Claire Wilkinson

Satellite launches up, insurance takeup down

BY MATTHEW LERNER
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The explosive growth in satellite launches and low-earth orbit operations has yet to translate into similar gains in the satellite insurance market.

Many of the newest satellites are considerably less valuable than earlier spacecraft and are often uninsured or covered through captives, or their owners and operators buy only launch insurance.

Although the number of satellites launched has increased more than fivefold since 2019, the number of insured satellites has not seen a corresponding increase (see chart).

Future projects, such as replacement space stations, may provide opportunities for growth in satellite insurance (see related story).

The satellite insurance market represents about $500 million in annual premium, said Patton Kline, New York-based US aviation and space practice leader, at Marsh.

Sources generally agree that about 20 to 25 insurers operate in the satellite insurance market.

"You would think that I am just the busiest guy in the world," said Rob Schenone, Morristown, New Jersey-based head of aerospace and underwriting manager, space - Americas for Axa XL.

More satellites are being launched now than ever before, he said. Annual launches used to be in the hundreds but now reach the thousands.

Most satellites, however, are uninsured, Mr. Schenone said.

"There's a lot more launch activity than there ever has been," Mr. Kline said. "The hope for the market is that those values are going to replace the historic values, but at this point, that hasn't happened quite yet."

While there's an expectation that the new phase of launches and investment in satellites will generate growth, the market remains in transition, said Charles Wetton, London-based underwriting manager for Global Aerospace Underwriting Managers.

"We are not seeing people with large constellations insure their satellites. Most of the time, these satellites are not being insured. If they are being insured, it's a small portion of coverage and the values are much lower than what we have seen in the past."

In some cases, captives are used to retain the risk rather than transferring it to insurers, Mr. Schenone said. "They feel that self-insurance is a way to go to manage their risk because of the number of satellites they have in their one system."

For the new generation of high-volume, low-value satellites, some owners and operators purchase only launch insurance, according to Mr. Schenone.

"They'll buy insurance, but that will just be insurance for their launch. Satellite launches. Satellite separates from the launch vehicle. Coverage ends. A half hour of insurance coverage." Some 80% of his premium, he said, is "non-recurring" because it is tied to launches.

Rates increased sharply after substantial losses in 2023 and moderated slowly last year before steadying in 2025, Mr. Schenone said.

"Premium rates have increased significantly in the last 24 months but are now showing signs of stabilizing," said Ian George, London-based head of space at Lockton.

Some insurers exited the market because of the substantial losses in 2023, Mr. Kline said.

"What we're seeing now is that some of those underwriters who stepped away from the market are coming back into the market with new capacity, new managing general agents," Mr. Patton said.

Policy wordings

Differences in technologies and mission applications mean that each policy must be essentially created for each vehicle.

"Every policy wording we do is manuscript, because every satellite is different, Mr. Schenone said.

"Most policies are bespoke," said Akiko Hama, London-based client executive, underwriting, Global Aerospace.

Global Aerospace primarily provides first-party asset insurance in addition to some third-party liability, typically, launch liability, she said.

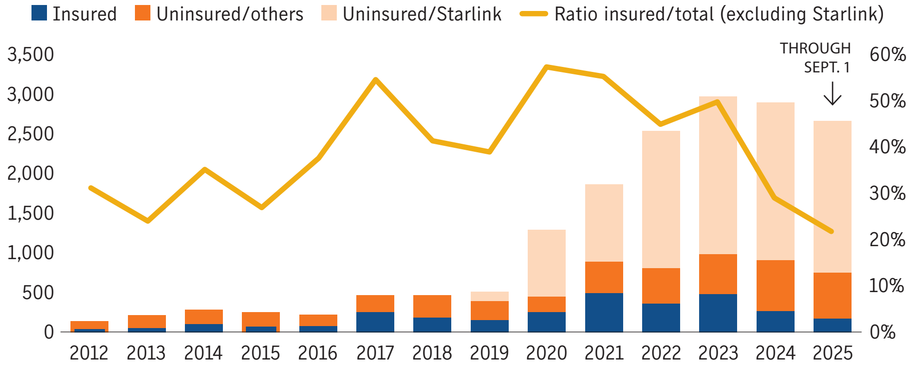
At Lockton, space risks offerings include launch vehicle flight only; launch plus in-orbit testing; launch plus one year of in-orbit coverage; and annual in-orbit policies, Mr. George said.

Pre-launch coverage is also available in the marine cargo market, he said.

One area of growth has been from contractors, Ms. Hama said.

"We're getting to the point where governments are starting to buy services from contractors. We're seeing insurance coverage for risks on government missions that 20 years ago would have been retained by the government. Now, the contractors themselves want to insure those types of risks," Ms. Hama said.

INSURED VS UNINSURED LAUNCHED SATELLITES



Source: Axa XL

SPACE STATIONS MAY PROVIDE MARKET BOOST

While much of the most recent activity in space has involved the launch of smaller, lower-value satellites, which often are not insured in the commercial market, there are potentially larger projects on the horizon.

For example, a new generation of space stations may test the insurance market in the coming years.

The International Space Station, a space lab operated by a consortium of international agencies that has been in orbit for more than 25 years, is due to be decommissioned at the end of the decade, and several entities are involved in the design and pre-production of its replacement, said Ian George, London-based head of the space, aviation division at Lockton.

"It is quite possible — even probable — that nations other than the U.S. may look to have their own habitable space stations within the next decade," he said.

Such an undertaking would contrast with the recent wave of low-value vehicles and could potentially strain available satellite insurance capacity, said Rob Schenone, Morristown, New Jersey-based head of aerospace and underwriting manager, space - Americas at Axa XL.

Although it may be five years away, "the space station will be brought down, and then there's a couple companies that are private that will be launching their own private space station in conjunction with NASA," Mr. Schenone said.

"That's obviously a very, very valuable asset, and they'll potentially need insurance for that space station. That could be more than a billion dollars," he said.

With satellite capacity standing at about $500 million, projects larger than that might struggle to secure enough coverage or have to pay more for it.

"Any risk, even the most technically straightforward, that requires more than $250 million of insurance is likely to put pressure on market dynamics," Mr. George said.

Matthew Lerner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Forbes 2025 AMERICA'S BEST MIDSIZE EMPLOYERS

Insurers push for growth as pricing shifts

BY GAVIN SOUTER
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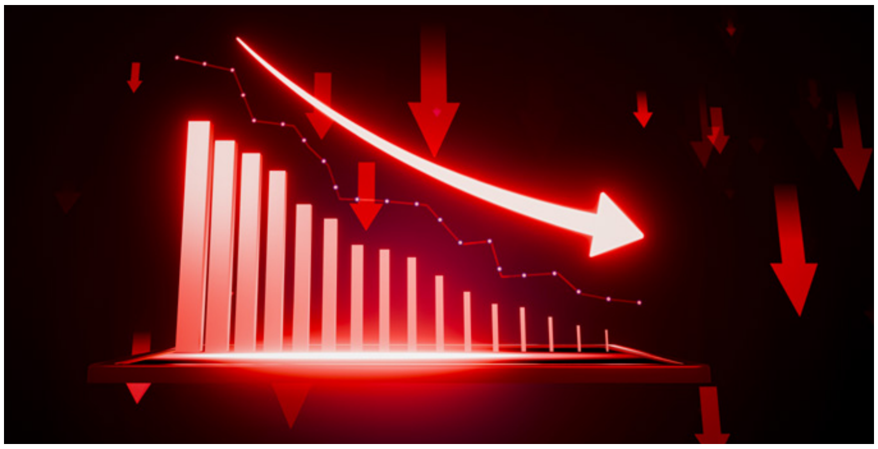

COLORADO SPRINGS, Colo. — Insurers are seeking to grow their books of business in a market where property and specialty rates are falling but prices for major liability lines keep rising.

At the Insurance Leadership Forum in early October, senior executives discussed the push for growth in a commercial insurance market that is changing in an uncertain economic environment.

The meeting, sponsored by the Council of Insurance Agents & Brokers, brings together insurers, brokers, reinsurers and others as companies plan their strategies for the coming year.

Insurers' growth ambitions and market conditions remained key themes.

"Every market is wanting to grow," said Jon Drummond, head of broking, North America, at Willis Towers Watson.

Increased capacity and a drive for more premium have led to a softening property insurance market (see related story).

While they aim to grow, some insurers are cautious because of the uncertain economic environment, which includes rising tariffs, unemployment and bankruptcies, said Marc Kunney, San Francisco-based president of risk management and national specialties at EPIC.

"They're looking after their profit and profitability, and it's not a free-for-all, but they're back in the (phase of) thinking about incremental growth," he said.

In addition to property, some specialty insurance rates decreased.

Professional liability, directors and officers liability, cyber liability and employment practices liability are all seeing moderate decreases, Mr. Kunney said.

Cyber liability rates continue to fall as the market for the coverage expands, said Alex Blanco, CEO of Vantage Group's insurance division.

"We're growing in double digits, so there's no stalling of the growth, but we also have to acknowledge the underlying rate environment," Mr. Blanco said.

The cyber sector overall is profitable for underwriters, but some industries targeted by cybercriminals are more challenging, he said.

Some other specialty lines are seeing sometimes sharp increases.

For large hospitals, for example, professional liability rates are sometimes increasing by 20% to 30% and sublimits are being imposed on sex assault and molestation exposures, Mr. Blanco said.

Liability

Rates continue to rise for general liability, auto liability and excess liability, brokers and insurers say.

"In U.S. casualty, you're seeing moderate increases, and there are some parts of the casualty portfolio that are very tricky, certainly around some of the transportation risks," said Karl Hennessy, president of McGill Partners and U.S. CEO.

General liability rates are up in the single digits, umbrella rates are up 7.5% to 20%, depending on the class of business, and excess rates are up 10% to 15%, Mr. Kunney said.

Insurers continue to see increased claims due to higher settlements and jury awards. Although tort reform has been enacted in states like Florida and Georgia, the national liability market still faces challenges, Mr. Drummond said.

Aggregate liability loss trends are in the high single digits, and insurers are looking to charge rates that exceed the loss trends, said J. Powell Brown, president and CEO of Brown & Brown.

"That doesn't mean that the market will bear that, but that's what they're seeing in their books," he said.

In addition, workers compensation rates, which have been declining for years, are inching up for some buyers, Mr. Kunney said.

"We're starting to see very small increases — 1%, 2%, 3% increases — not across the board, but definitely with some regularity," he said.

Buyers with difficult long-tail exposures sometimes struggle to secure sufficient capacity, but several larger brokers, including Willis, have developed follow-form programs in London.

New facilities

Willis launched Gemini, a digital follow-form facility, in September. It automatically offers 12.5% capacity for a placement once the lead line is negotiated.

"It's allowing us to bring capacity to these challenging programs and fill holes," Mr. Drummond said.

McGill launched its London-market automatic follow facility Underscore Auton last year, Mr. Hennessy said.

"Every transaction that goes into our system is run through an algorithm and, if it is eligible, we will automatically be able to write a line on that program," he said.

Insurers are using data and technology to help make exposures more insurable, said Sierra Signorelli, CEO, commercial insurance, at Zurich Insurance.

For example, New York construction has long been a challenging exposure because of laws that impose strict liability for falls from heights. Zurich saw more than 90% fewer incidents at a construction site where it used video coaching compared with another site with the same customer where video coaching was not used, she said.

"You can correct for things that aren't being done properly and you reduce fraud and increase safety," Ms. Signorelli said.

Zurich teamed with Chubb and National Indemnity earlier this year to launch a claims-made excess liability program offering $100 million in capacity. Most U.S. liability coverage is provided on an occurrence basis.

"We've had some good initial discussions at this point and are offering an alternative for those who are having trouble finding the capacity," she said.

BARRING A MAJOR WINDSTORM, PROPERTY RATES SEEN FALLING INTO 2026

Property insurers and brokers expect rates to continue falling into 2026 unless a major windstorm hits the United States before hurricane season ends Nov. 30.

Meeting at the Insurance Leadership Forum in October, past the midpoint of the hurricane season, senior executives said the sometimes double-digit rate decreases seen over the past year will continue as new capacity enters the market.

The price declines, which began last year, came after six years of hardening; however, the property line remains profitable, they said.

"There continue to be double-digit rate decreases in property and the natural catastrophe exposure is seeing more than that, so 10% to 20%," said Marc Kunney, San Francisco-based president, risk management and national specialties, at EPIC.

Even multifamily and habitational accounts, which are viewed as riskier, are seeing decreases of 5% to 10%, he said.

"If there are natural catastrophes, things can change very quickly, but the early returns are that we're going to continue to see rate decreases, Mr. Kunney said.

While property rate declines may not accelerate, they are unlikely to decelerate, said Jon Drummond, head of broking, North America, at Willis Towers Watson.

Insurers want to grow, and new capacity is entering the market through traditional and nontraditional reinsurance, he said.

"You're seeing investment vehicles being created that allow (insurance-linked securities) capacity and alternative capital to come in and support the retail insurers with a smaller barrier to entry," Mr. Drummond said.

If the hurricane season remains quiet, more pressure could build on property rates, said J. Powell Brown, president and CEO of Brown & Brown.

The pricing pendulum may previously have swung too far toward higher rates in previous years and is in the process of swinging back, he said.

"Property prices got high, maybe too high, and so they've come back. Depending on the number of storms that make landfall in the next year or two, we may have an extended softening," Mr. Brown said.

While the property insurance pricing environment is shifting, it follows a period in which technical pricing was restored, said Adrian Hall, New York-based CEO, U.S., at Swiss Re Corporate Solutions.

"I would characterize it more as a recalibration in the marketplace, from a U.S. perspective, and not a retreat," he said.

Gavin Souter

PROFILE: ICELAND

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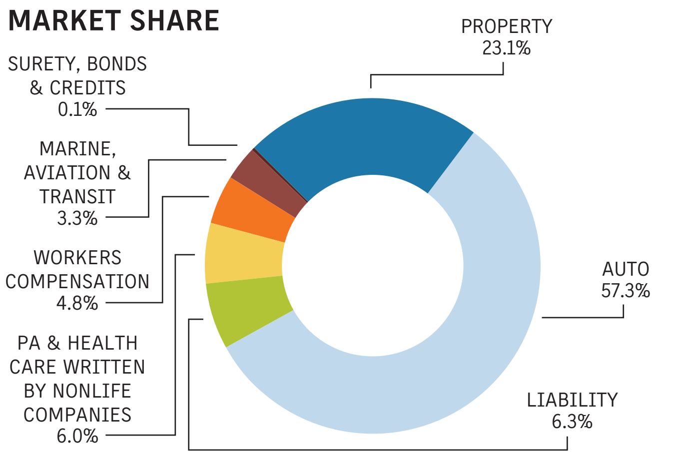
GLOBAL P/C MARKET RANKING

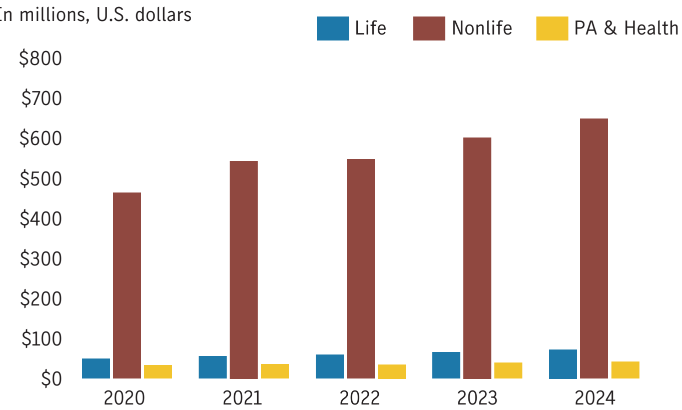
The economic outlook for Iceland is positive, driven by tourism and growing exports, particularly in the aluminum industry. Headwinds to growth include lower consumer spending due to elevated inflation and monetary tightening. The four Icelandic nonlife insurers generated $691.5 million in premiums in 2024, up almost 7% from 2023. Premiums in the first half of 2025 increased by about 5%, primarily due to one company reporting growth of approximately 9%. Auto liability insurance is the largest class of business. While competition in the market has been strong in all classes, there is only a limited amount of new business. Foreign insurers, particularly in the London and Scandinavian markets, are involved in Iceland on both a direct and indirect basis.

MARKET SHARE

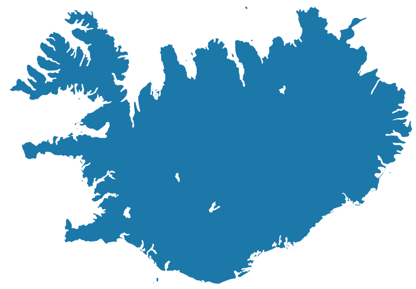


MARKET GROWTH

In millions, U.S. dollars



Source: Axco Global Statistics/industry associations and regulatory bodies



AREA

39,768.5

square miles

POPULATION

364,036

MARKET CONCENTRATION

100%

market share of the country's four nonlife insurers

2025 GDP CHANGE (PROJECTED)

1.96%

MARKET DEVELOPMENTS

Updated October 2025

- Starting in October 2020, earthquakes began to occur in the Reykjanes peninsula, followed by a volcanic eruption in March 2021 when a fissure vent appeared. Intermittent eruptions since then have caused economic disruption and property damage, particularly in Grindavik, which has had to be abandoned. Compensation for damage is estimated at $100.1 million.
- Starting Jan. 1, 2025, Natural Catastrophe Insurance of Iceland increased premiums by 50% to compensate for losses from the volcanic eruptions on the Reykjanes peninsula. The rate for real estate, household contents and other movable property has risen to 0.375% from 0.25%.
- Landsbanki acquired 100% of TM's share capital this year and merged the insurer into its operations. Also this year, Islandsbanki and VIS signed a cooperation agreement that observers believe will lead to an acquisition.
- The insured claim from the June 2024 fire at the Kringlan shopping center is pegged at $18.1 million, spread among the market's insurers. The fire was caused by a roofing contractor.

COMPULSORY INSURANCE

- Fire insurance on buildings.
- Natural catastrophe insurance on buildings and some other construction.
- Hull and liability coverage for boats from 8.8 to 110.8 tons.
- Third-party auto liability.
- Professional indemnity for estate and house rental agents, stockbrokers, insurance brokers, used-car dealers, lawyers, architects, design engineers, construction engineers, chartered accountants and health care institutions.
- Liability for dog owners.
- Pollution liability (coasts and coastal waters).
- Liability for clinical trials.
- Medical malpractice including clinical trials.

NONADMITTED

Insurers must be locally licensed to do insurance business in Iceland. However, the law does not require insurance to be purchased from locally licensed insurers, except in certain cases. This is generally interpreted to mean insurers can issue policies from outside the country if they are approached. Insurers from European Economic Area states may provide insurance under freedom to provide services.

INTERMEDIARIES

Brokers and agents must be locally licensed to do insurance business. Apart from exceptional circumstances, and where authorized by the supervisory authority, brokers are not permitted to place business with nonadmitted insurers outside the EU/EEA. Overseas intermediaries from outside the EEA cannot be involved in the placement of local insurance business without establishing an Iceland-licensed branch operation.

MARKET PRACTICE

There is nothing to prevent an Icelandic person or corporation from arranging insurance outside the EU/EEA, but this is not believed to be common practice. In practice, an Icelandic insurer is generally preferred in order to handle claims and make premium payments to Natural Catastrophe Insurance of Iceland.

Information provided by Axco.
For free trial access to global insurance intelligence, visit axcoinfo.com.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Willis sues Howden, former executive

■ Willis Towers Watson sued rival Howden U.S. and former Willis executive Danielle Lombardo, alleging she unlawfully took "millions of dollars" in business with her when she joined Howden recently.

Howden has hired hundreds of staff from rivals since launching its U.S. retail business in August. Marsh is also in litigation with the London-based brokerage.

In *Willis Americas Administration Inc. and Willis Towers Watson Northeast Inc. v. Danielle Lombardo and Howden US Services LLC,* filed in federal court in New Jersey, Willis alleges that Ms. Lombardo breached her employment agreement when she resigned from Willis and joined Howden as vice chair of its U.S. retail operations on Sept. 25.

The suit alleges that Ms. Lombardo, who joined Willis from Lockton in 2024 as chair of its North America real estate, hospitality and leisure division, took to Howden four of her team members and a real estate client worth $1 million in revenue.

The real estate company, Time Equities, was one of the clients acquired by Willis in an asset purchase agreement with Lockton when Ms. Lombardo joined Willis. An investment firm client that also generates $1 million in revenue moved to Howden, too, according to the suit.

"Unless Lombardo is enjoined from violating her restrictive covenant obligations for the contractually agreed upon two-year period, and unless Defendants are similarly enjoined from inducing the Lombardo Team Employees from violating their restrictive covenant obligations, WTW will be further deprived of the critical transition period during which it is assured of continuing to provide services to the Restricted Clients and Restricted Prospects," the suit says.

Willis asked for an injunction against Ms. Lombardo and Howden.

Gallagher sues two former producers

■ Arthur J. Gallagher & Co. sued two former producers who left in May to start Cornerstone Risk Advisors.

In *Arthur J. Gallagher & Co. v. James Baranello, Joseph Siringo, and Cornerstone Risk Advisors Inc.*, Gallagher alleges that the brokers breached their employment agreements by soliciting Gallagher clients before and after they left the firm.

The brokers abruptly resigned from Gallagher in May to establish Cornerstone and contacted the chief financial officer of their largest client before leaving, Gallagher alleges. Additionally, they sought to bring three construction-related Gallagher clients to their new firm, according to the complaint, filed in federal court in New York.

Gallagher is seeking injunctions against the two barring them from soliciting Gallagher clients and prospects, recruiting Gallagher employees and using the brokerage's confidential information.

Exclusive-remedy ruling reversed

■ Appellate Division of the Supreme Court of the State of New York reversed a ruling that said a worker who fell 40 feet at a construction site was an employee subject to exclusive remedy and thus couldn't sue the firm overseeing the project.

As documented in *Matter of Trickey v. Black Riv. Plumbing, Heating & A.C., Inc.*, the claimant in 2020 was installing roof trusses on a pole barn being constructed on property owned by Black River Plumbing, Heating & Air Conditioning when the trusses collapsed, causing him to fall 40 feet to the ground and sustain extensive orthopedic and internal injuries.

The worker then sued Black River. Black River's workers compensation insurer sought a ruling that the claimant was an employee of Black River at the time of the accident, thereby making workers compensation benefits the exclusive remedy for his injuries.

The worker, maintaining that he was an independent contractor, did not want to pursue a workers compensation claim.

A Workers' Compensation Law Judge found that the claimant was an employee of Black River. The Workers' Compensation Board adopted those findings.

In remanding the case, the appeals court said the board "did not specifically resolve the conflicting testimony as to who actually controlled and/or directed the installation of the roof trusses," a central issue on whether the construction work presumption can be rebutted.

Coverage allowed in whiskey leak

■ A distillery is entitled to coverage under its commercial insurance policy after its barrel racks collapsed, causing whiskey purportedly worth $2.5 million to leak, a federal judge ruled.

In *The Vale Fox Distillery LLC v. Central Mutual Insurance Co.*, the U.S. 2nd District Court in Manhattan ruled that several exclusions cited by the insurer did not bar coverage for the Poughkeepsie, New York-based small-batch whiskey maker.

Vale Fox stored 60 barrels of single malt whiskey on metal racks. In December 2023, the racks collapsed, breaking 52 barrels that contained whiskey that had been aging for at least three years, court papers say.

An engineering report later revealed that the racks failed because of defective metal welds, among other issues.

The company filed a claim under its industrial processing policy with Central Mutual and the insurer denied it, saying it did not meet several requirements under the "collapse" clause in the policy.

The court ruled that the clause in the policy providing coverage when "personal property abruptly falls down or caves in and such collapse is not the result of the abrupt collapse of a building" triggers the coverage.

In addition, the construction defect coverage is not limited to defects in the construction of the building itself, the court ruled.

The insured value of the whiskey is also in dispute and remains to be determined.

Hospital worker loses COVID claim

■ The Supreme Court of West Virginia agreed that a hospital worker who filed a compensable COVID-19 claim failed to prove she suffered permanent lung damage and is thus not eligible for permanent disability.

In *Brenda G. Blevins v. Princeton Community Hospital Association*, the state's Intermediate Court of Appeals in January ruled that Ms. Blevins, who had suffered previous lung conditions and was on pulmonary medication before the pandemic, failed to connect her 2020 COVID-19 infection to permanent damage. The decision affirmed a 2024 ruling by the Workers' Compensation Board of Review, which affirmed the claim administrator's order from 2022.

On appeal, Ms. Blevins argued that the Intermediate Court of Appeals was "clearly wrong" in agreeing that she failed to "prove by a preponderance of the evidence that she sustained any whole-person impairment from the compensable injury."

The employer argued "that there is no objective evidence that the claimant suffered any permanent impairment as a result of COVID or post-COVID syndrome," pointing to her previous lung condition and diagnostic tests that showed no pulmonary issues.

The state's highest court said it found "no reversible error" in the appellate court's finding that compensable COVID did not lead to a permanent injury.

Slip and fall on ice not compensable

■ A laboratory worker who slipped and fell on ice while crossing a street from a parking lot to a hospital did not suffer a compensable injury under Virginia's workers compensation law, as the woman failed to prove she could not have used a different entrance to the facility, the Virginia Court of Appeals ruled.

As documented in *Audra L. Poole v. Quest Diagnostics Inc.*, Audra Poole suffered a wrist injury that required three surgeries and requested a lifetime medical award and temporary total disability. She appealed the Workers' Compensation Commission's decision denying her benefits.

The commission argued that exceptions to the coming-and-going rule did not apply because Ms. Poole presented "insufficient evidence for us to find that she was injured while coming to work on a route that was the sole and exclusive means of ingress and egress." The commission also determined that the extended-premises doctrine did not apply because Ms. Poole "failed to prove that the crosswalk

See **LEGAL BRIEFS** page 16

on which she fell can be considered the employer's extended premises."

In affirming, the appeals court agreed that neither the exception nor the doctrine applied, writing that the commission's reasoning is "supported by case law."

Truck driver's award of benefits reversed

■ The Tennessee Workers' Compensation Appeals Board reversed a trial court's award of medical and temporary disability benefits to a commercial truck driver who claimed he suffered a spinal injury when the cab of his truck shook violently over a 90-minute period as he attempted to park at a truck stop.

The court remanded *Rainey, David v. U.S. Xpress, Inc.* back to a lower court on the grounds that the driver, David Rainey, failed to prove that the truck's system had malfunctioned in March 2025 as he described it and that he had been injured as he testified. He had been an employee for under a month, according to the ruling, and had suffered a previous work injury.

U.S. Express initially accepted the claim as compensable based on the authorized physician's opinion. The company provided medical and temporary disability benefits and later retained an orthopedist to perform a medical records review, which concluded that Mr. Rainey had reached maximum medical improvement. Consequently, the employer ceased paying temporary disability benefits.

After an expedited hearing, the trial court found that the employee was likely to prevail at trial in showing that his cervical spine condition arose primarily out of the event he had described. It also determined that the authorized treating physician offered the most probable explanation of the primary cause of the need for surgery, and it awarded additional medical and temporary disability benefits.

The appeals board cited "various inconsistencies" in Mr. Rainey's testimony and report of injuries to his neck and spine and said the trial court relied too heavily on his testimony alone in awarding benefits.

Liquidating trust for Vesttoo sues Aon

■ The creditors liquidating trust for collapsed insurtech Vesttoo sued Aon and China Construction Bank and various affiliates, alleging fraudulent conduct and other wrongdoing.

The complaint alleges that Aon used Vesttoo to grow its collateral protection insurance business while ignoring "red flags" about Vesttoo's collateral providers, exposing the insurance industry to hundreds of millions of dollars in losses. The lawsuit was filed in the U.S. Bankruptcy Court for the District of Delaware by the Vesttoo Creditors Liquidating Trust.

Aon said it was also a victim of the alleged fraud. The lawsuit represents "a perverse attempt by Vesttoo's bankruptcy estate to shift responsibility for Vesttoo's deliberate fraud to Aon," the brokerage said in a statement.

The Vesttoo scandal involved allegedly fraudulent letters of credit purportedly issued by China Construction Bank. Aon unit White Rock Insurance (SAC), a Bermuda-based segregated account company, worked with Tel Aviv, Israel-based Vesttoo on various intellectual property insurance and reinsurance deals. Vesttoo filed for bankruptcy protection in 2023.

Attack on co-worker falls under comp

■ An electrical worker's negligence lawsuit that stemmed from a 2020 attack by a co-worker having a psychotic episode is barred because of exclusive remedy, an Illinois appeals court ruled.

Kamil Kordas sued Bob's All Bright Electric, claiming, among other things, intentional misconduct and negligence after his co-worker and son of the business' owner struck him over the head with a shovel while having a psychotic episode. Mr. Kordas alleged that the company and the owner knew or should have known that the co-worker had mental health issues, negligently hired and supervised him, and intentionally concealed his dangerous propensities, according to the Appellate Court of Illinois, 3rd District, ruling in *Kordas v. Bob's All Bright Electric Inc.*

A lower court ruled the suit was barred under exclusive remedy. Mr. Kordas appealed.

The court, in applying case law, said that the "injuries intentionally inflicted by a co-worker are accidental from the employer's point of view" and because of that, "the employer has a right to consider that the injured employee's sole remedy against the employer will be under the workers compensation statute."

DOCKET

COURT: SONS CAN'T SUE IN FATHER'S DEATH

Two sons of a school resource officer killed in 2022 while directing traffic outside a school can't sue Mississippi over an inoperable warning sign, as their father's death is subject to the state's exclusive remedy provision, the Mississippi Supreme Court ruled.

Johnny Patterson, who was an employee of the Lee County School District, was survived by his wife, who received workers compensation survivor benefits from the school district. His two adult sons, who did not receive any benefits, sued the Mississippi Department of Transportation in 2023, alleging it had "failed to maintain, inspect, and repair the traffic signal and that it had failed to warn of a dangerous condition," says *Cody Patterson and Corey Patterson, individually and on behalf of the wrongful death beneficiaries of Johnny Patterson v. State of Mississippi, ex rel. Attorney General Lynn Fitch and Mississippi Department Of Transportation*.

The state's highest court affirmed the summary judgment that had been granted to MDOT.

DISMISSAL REVERSED IN ASBESTOS CASES

The North Carolina Court of Appeals reversed the state Industrial Commission's dismissal of two asbestos-related workers compensation death claims, saying the surviving family members should have the opportunity to submit evidence.

In the two claims, the commission relied on rulings in similar claims that were dismissed over lack of evidence that asbestos in a tire factory caused lung diseases, cancer and death. But in *Gilbert v. Cont'l Tire The Ams.* and *Funderburk v. Cont'l Tire The Ams.*, the court said those dismissals did not apply.

The appeals court sent the cases back to the commission to consider evidence relevant to the workers dying of lung cancer.

TREE CONTRACTOR CITED IN WORKER'S DEATH

The U.S. Labor Department cited a Port Saint Lucie, Florida, tree service contractor after an employee died while operating a wood chipper at a worksite in January 2025.

Investigators with the Occupational Safety and Health Administration said Carlton's Tree Service allegedly exposed workers to "crushed-by" hazards and issued the company a "serious" violation.

The employer was to pay $16,550 in penalties and take actions to amend the hazard.

FAN HIT BY BALL MAY CONTINUE SUIT

A fan who was hit in the face by a baseball can proceed with her suit against the Atlanta Braves and former right fielder Jorge Soler, a Georgia appeals court ruled, overturning a lower court that dismissed the case.

In *Mayra Norris v. Atlanta Braves Inc.*, a couple who attended a 2021 World Series game between the Braves and the Houston Astros allege that, between innings, Mr. Soler threw a baseball "with great force, speed and intensity" in Ms. Norris' direction, striking her in the eye, causing multiple injuries.

The couple alleged premises liability and vicarious liability against the Braves.

The Braves argued that the "Baseball Rule" barred the claims because spectators assume the risk of being injured by a baseball. The trial court agreed and granted the defendants' motion to dismiss.

The Court of Appeals of Georgia in Atlanta, though, reversed, finding that "there is nothing in the complaint to indicate that the Plaintiffs understood and appreciated the risk of a baseball being thrown in Mayra's immediate direction when the game was not in play and that they voluntarily exposed themselves to this risk."

KNEE REPLACEMENT SURGERY APPROVED

A Tennessee Court of Workers' Compensation Claims judge approved knee replacement surgery for a 78-year-old oil company worker whose request for the operation was denied by his employer, which argued that the need for it stemmed from preexisting conditions.

In *Fults, William v. Gant Oil Company, Inc.*, the judge wrote that the case presents "the often daunting challenge of quantifying causation in circumstances where an employee is alleging a work-related aggravation of a preexisting condition."

The judge wrote that Mr. Fults was likely to prevail and that the work incident "aggravated (the) preexisting osteoarthritis, and this aggravation, and treatment of it, primarily caused his current need for a total knee replacement."

COVER STORY

CONSTRUCTION LIABILITY MARKET ON FIRMER GROUND

Rates stabilize ahead of expected boom tied to data center projects, but claims costs remain a threat

BY GAVIN SOUTER
gsouter@businessinsurance.com

The market for construction general liability insurance has stabilized after several challenging years for buyers, but concerns over rising legal awards and settlement amounts persist, and capacity remains fragmented.

Demand for coverage is expected to increase because of legislative changes and the rapid expansion of data center construction to support the growth of artificial intelligence and other technology, according to experts.

In addition, they say, policyholders are using a variety of coverage structures to ensure they are sufficiently protected as exposures evolve.

> "Whether it's scheduling, whether it's getting the supply chain right, all of those elements really force contractors to be very thoughtful about what they're doing from a risk management standpoint."
>
> James Savage, Zurich North America

While the general liability environment is improving, sharp increases in auto liability insurance rates persist for construction companies, which often have large fleets (see related story).

Policyholders and insurers are increasingly using technology to improve safety and reduce claims for all liability lines (see story page 20), the experts say.

The general liability and excess market for construction risks has stabilized, said Rob McDonough, Aon's New York-based CEO of construction, infrastructure and surety for North America.

While policyholders need more insurers to fill out their programs than they did in the soft market, rate hikes have decelerated, he said.

Rate increases vary by layer, but primary rates are flat to 5% higher, and excess liability rates are up 2% to 8%, said John Johnson, Chicago-based construction practice leader-central zone for Marsh.

General liability rates are up 5% to 10%, and auto and lead umbrella rates are up by more than 10%, said Ed Totten, Philadelphia-based head of construction casualty at Axa XL, which focuses on large projects.

While some project starts have been delayed because of economic uncertainty surrounding tariffs, construction activity is expected to accelerate, fueling demand for coverage.

Tax incentives for nonresidential construction in the One Big Beautiful Bill Act, which was signed into law in July, will lead to more projects, said Jayson Taylor, New York-based head of casualty for MSIG USA, a unit of Mitsui Sumitomo Insurance.

"I'm expecting an uptick in the opportunities, because the Big Beautiful Bill signified that they have to start construction before 2029 and they have to put the plant into operation by 2031," he said.

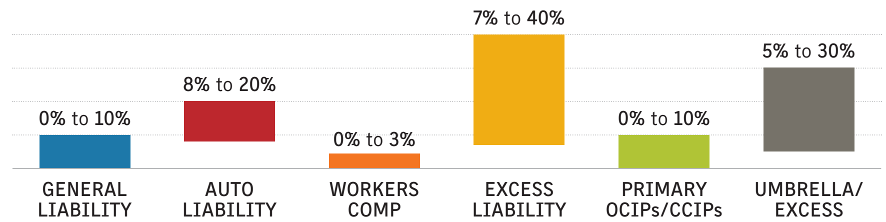
Inflation and increased litigation also are driving demand for increased limits, Mr. Taylor said.

Bigger project size in the data center and semiconductor sectors is bringing more complexity to the risks, said James Savage, Akron, Ohio-based head of construction casualty at Zurich North America.

"Whether it's scheduling, whether it's getting the supply chain right, all of those elements really force contractors to be very thoughtful about what they're doing from a risk management standpoint," he said.

INCREASES EXPECTED

Most construction liability rates are predicted to rise next year



Source: Willis Towers Watson's Marketplace Realities Report

Data centers are often a preferred risk from an underwriting perspective because they're often built outside of urban areas and the construction is straightforward, said Aldo Fucentese, Boston-based head of large construction, Global Risk Solutions North America at Liberty Mutual.

However, they also require extensive cooling systems, which could increase the risk of leaks onto high-value electronic equipment, raising concerns about completed operations coverage, he said.

Program structures

Over the past three to five years, more construction projects have been covered through controlled insurance programs or wrap-ups, Mr. Savage said.

"There are a number of advantages, but I think fundamentally every contractor on the project will have the same coverages and the same project safety plan in place," he said.

Risk managers have various ways to cover projects, such as through additional insurance for subcontractors, owner-controlled insurance programs and contractor-controlled insurance programs, said Ann Parnigoni, risk management and insurance lead for San Francisco-based Hathaway Dinwiddie Construction and president of the Risk & Insurance Management Society's Golden Gate Chapter.

"We're really trying to look at it to say, what is the best way to insure this project. Is the owner the right entity to have a wrap-up on this project? Have they never done one before? Is it their one and only building that they're building? Maybe they are not the right entity, and we should do it through a CCIP," she said.

OCIPs and CCIPs provide comprehensive coverage to protect an entire project. "They are a really great addition," Ms. Parnigoni said.

In addition, professional liability risks are expanding into general liability exposures for contractors as project designs are spread among various companies, said Mr. Johnson of Marsh.

"Plans and specifications don't necessarily give you 100% design, especially

See **CONSTRUCTION** page 20

Contractors try to temper soaring auto insurance costs

Commercial auto liability insurance has gone from an afterthought to a major concern for construction companies.

Like companies in other sectors, construction firms have experienced a sharp rise in auto liability rates in recent years as insurers cite higher legal awards and settlements as reasons for the increases.

As employers with large fleets of light trucks, they are seeking ways to lower premiums and reduce claims, often using telematics and other technology to reduce risks.

"Typically, as an industry, we paid the least amount of attention to auto, but now those claims are much larger and they do hit our excess tower," said Ann Parnigoni, risk management and insurance lead for Hathaway Dinwiddie Construction in San Francisco and president of the Risk & Insurance Management Society's Golden Gate Chapter.

Auto liability is the No. 1 issue for construction companies, said Aldo Fucentese, Boston-based head of large construction, Global Risk Solutions North America at Liberty Mutual.

"Up to five years ago, auto liability was an afterthought for us to underwrite, and then it really became an issue. We have seen the losses really exploding and the rates going up," he said.

Rates on his portfolio have doubled in that time, Mr. Fucentese said.

Auto liability rates for contractors are rising 10% to 20% annually, and policyholders are having to accept considerably higher deductibles, said John Johnson, Chicago-based construction practice leader-central zone for Marsh.

Some large construction companies have thousands of vehicles, said Ed Totten, Philadelphia-based head of construction casualty at Axa XL.

"Any one of those losses can turn into a pretty substantial loss nowadays and that's in multiple venues," he said.

Most auto liability claims in construction occur away from job sites, said Paul Primavera, Los Angeles-based U.S. construction practice leader at Lockton.

"It's the light passenger fleet, the pickup trucks, the cars that workers use getting to and from projects, or in between projects," he said.

But causes of loss are similar to those in the heavy trucking industry, including driver history, fatigue, health-related issues and substance abuse, Mr. Primavera said.

Establishing clear driving policies, using background checks and drug testing and conducting medical assessments have proven to be effective risk mitigation tools, he said.

In addition, companies are increasingly using telematics and data analysis to mitigate auto liability risks.

Technology that detects things like speed and hard braking has become "table stakes" for fleets with more than 500 vehicles, Mr. Fucentese said.

Companies also use ongoing motor vehicle record monitoring to track drivers' violations both on and off the clock, he said.

Hathaway Dinwiddie is using telematics technology to collect information in the event of a claim, but also to correct driving behavior, Ms. Parnigoni said.

While there was some driver concern about "Big Brother" when the technology was first introduced, that has diminished, she said.

"Sometimes it helps them," she said. "If they just came to us and said, 'Someone backed into my vehicle while it was parked,' that may have sounded a little suspicious, but now we've got cameras to say, 'You're absolutely right, and we've got the license plate.'"

Some Zurich customers that have installed video-based telematics in their fleet vehicles have been cleared of blame in accidents because of the video footage. That also has resulted in a decrease in incidents, said James Savage, Akron, Ohio-based head of construction casualty at Zurich North America.

Axa XL works with policyholders and telematics providers to implement driving behavior changes with the data that's collected, Mr. Totten said.

It's too early, though, to see any changes in loss trends resulting from the use of telematics, he said.

"Telematics have been around for maybe five years and we're seeing a lot more implementation, but from an underwriting perspective, you need probably a good 10 years of data," Mr. Totten said.

Gavin Souter

CONSTRUCTION

Continued from page 19

on fire safety, mechanical and electrical systems. You get a 50% design and you're expected to finish it," he said.

In a recent example, a general liability claim found to stem from a design issue ultimately resulted in a 60% allocation to the general liability insurer and 40% to the professional liability insurer, Mr. Johnson said.

Disputes between general liability and professional liability insurers have eased over the past five years, and insurers are changing how they apply deductibles, he said.

"We've gotten professional carriers to offer a deductible acceptance, so if you pay a GL deductible, it reduces the amount of the professional deductible," Mr. Johnson said.

The complexity of construction projects, with money transferred to multiple companies involved, makes the sector vulnerable to cyberattacks, said Jason Kosek, New York-based shareholder at law firm Anderson Kill.

Sometimes general liability policies cover the losses, but construction companies should reconfigure their programs to include specialty cyber coverage, he said.

The coverage is often included in OCIPs and CCIPs, but "it's not always required and it's not always purchased on smaller projects," Mr. Kosek said.

Excess towers

There is enough capacity in the domestic and international markets for construction liability risks, but insurers have significantly curbed what they are prepared to offer on individual risks, said Paul Primavera, Los Angeles-based U.S. construction practice leader at Lockton.

"For a $100 million excess tower, in the past it may be as little as two carriers that you could build that on. That's not the case anymore. You may have as many as 10 carriers building that $100 million," he said.

Capacity for the first $25 million is tight, but more insurers are offering capacity at higher layers, said Mr. Totten of Axa XL.

In addition, he said, more insurers are participating in quota share arrangements, where they share a layer with other insurers.

"You are starting to see a lot of it excess of $25 million, which historically you never saw, but that's something that's really popped up in the last three years," Mr. Totten said.

Building large excess towers can be challenging, Ms. Parnigoni said.

"You keep seeing the layers getting smaller and smaller and those smaller layers being shared between two carriers, three carriers," she said.

More complex towers may lead to more complicated claims, which can drive up settlements, Mr. Primavera said. Different insurers on a program may adjust their settlement strategies depending on where they are positioned on a tower and how likely a claim is to reach or exceed their layer, he said.

The long-term nature of construction projects, which can take several years to complete, heightens the exposure to potential liability claims, Mr. Taylor said.

MSIG is seeking to limit its exposure to large claims by offering lower limits on specific projects, he said.

"If we're essentially covering the unknown risk, and if we're going to get hit by the unknown risk, let's make its impact a little bit less," Mr. Taylor said.

Technology helps fill safety gap created by worker shortages

Risk managers and insurers are adopting new technology to enhance construction site safety as many contractors struggle to hire experienced workers.

While large contractors have long focused on site safety, rising liability losses have heightened concerns, and technological developments have presented new ways to mitigate risks, experts say.

Despite a slowdown in growth, contractors are finding it hard to fill job openings, according to a recent survey by the Associated General Contractors of America and the National Center for Construction Education.

The survey, done this summer, showed that 88% of contractors that employ craft workers have openings, and 83% of those reported that it was harder to fill those roles than a year ago.

Furthermore, 57% of contractors reported that available candidates lack essential skills or are not certified in the required areas.

According to a 2025 study by Travelers that analyzed claims from 2020 to 2024, 44% of construction injuries involved first-year workers, and first-year injuries drove 47% of construction workers comp claims costs.

"It's actually really impactful to the workers comp line of business, in that inexperienced workers are more likely to be injured on the job," said James Savage, Akron, Ohio-based head of construction casualty at Zurich North America.

New-hire training can help mitigate the risks, he said.

The labor shortage has eased somewhat over the past six months as project starts have been delayed because of economic uncertainty, but when work eventually picks up and more inexperienced workers are hired, "the bubble is going to burst," said John Johnson, Chicago-based construction practice leader-central zone for Marsh.

Hathaway Dinwiddie Construction changed its general liability insurer this year as it sought more services to reduce injuries and claims, said Ann Parnigoni, risk management and insurance lead for the San Francisco-based company and president of the Risk & Insurance Management Society's Golden Gate Chapter.

Choosing the insurer took several months, and the bidders on the account visited the company's sites to demonstrate how their technology and analysis could reduce claims, Ms. Parnigoni said. "They gave us their opinions on what they could do and it seems to me they're also interested in keeping claims down," she said.

Hathaway Dinwiddie already had stringent safety measures in place, but the analysis also examines things like the bending motion of employees as they work and the ergonomic setup of sites, she said.

Technology that monitors employee movements, such as sensors or wearables, is becoming more common on sites, said Rob McDonough, New York-based CEO of construction, infrastructure and surety for North America at Aon.

"These are direct character traits around what leading companies are doing to adopt technology and best practices with an ultimate gain around worker safety and contractor profitability; the two go hand in hand," he said.

Wearables also can monitor workers' health and catch issues like heart attack risks, said Paul Primavera, Los Angeles-based U.S. construction practice leader at Lockton.

"It is a critical issue if you're in an office, it's even more of a critical issue if you're outside on a project, on a beam," he said.

More sites have fixed cameras, and OSHA-certified staff can review the footage and give workers coaching and feedback when they see risky behavior, such as walking under an active crane load, Mr. Savage said.

"That's something that we've seen has significantly reduced incidents on job sites in the large projects that we tested it on," he said.

More contractors are adopting wearables, such as helmet attachments that alert workers when they enter hazardous areas, but only a minority of contractors are using them, said Mr. Johnson of Marsh.

Companies also are using drones to obtain overhead views for projects, reducing falls from height, which have historically been a significant cause of losses, said Ed Totten, Philadelphia-based head of construction casualty at Axa XL.

"Instead of sending someone up on a lift to look down at a job site to see where it's at, they'll send the drones up now," Mr. Totten said.

In addition, drones have become more sophisticated and can be used, for example, to monitor trench depths to ensure they comply with safety requirements, said Aldo Fucentese, Boston-based head of large construction, Global Risk Solutions North America at Liberty Mutual.

"You can see things that you can't see from the ground level and you can measure things to a matter of inches," he said.

Software is also available to analyze footage from portable cameras to detect potential safety hazards. The information also can be used to defend against claims, he said.

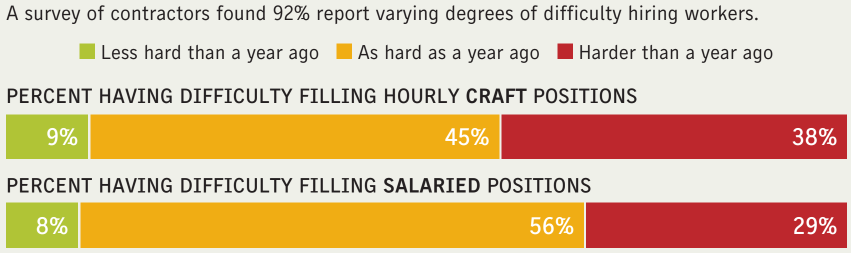
The hard-hat cameras are an evolving technology, Ms. Parnigoni said.

"It started off just being kind of a record of the project several years ago, when it first started coming out and now it's evolving with AI technology," she said.

Gavin Souter

CONTRACTORS SEEK TO FILL JOBS

A survey of contractors found 92% report varying degrees of difficulty hiring workers.



Source: AGC and NCCR 2025 Workforce Survey

SPECIAL REPORT

PROPERTY INSURANCE & REINSURANCE

Cyber threats prompt shift in property cover

BY CLAIRE WILKINSON
cwilkinson@businessinsurance.com

INSIDE

Cyberattacks that cause physical damage to property, such as equipment breakdowns and fires, are relatively infrequent but can leave policyholders with gaps in coverage.

Many traditional insurance policies exclude cyber property coverage, leaving businesses potentially exposed to costly financial and operational losses, experts say.

Some insurers, though, have added property coverage clauses to cyber policies.

Businesses increasingly rely on interconnected systems and operational technology, and the risk of cyber incidents causing physical damage or bodily injury is rising, said John Farley, New York-based managing director of Arthur J. Gallagher & Co.'s cyber practice.

Policyholders are concerned about whether their traditional insurance or cyber policies cover such events, Mr. Farley said.

Cyber insurance is often marketed as comprehensive, but many policies exclude coverage for physical property damage, said Joshua Gold, a shareholder in law firm Anderson Kill's New York office.

"The concern for policyholders is that they then look to their property insurance policies to cover them, and perhaps their general liability policies. But more and more, you're seeing either exclusions for cyber in some of those policies, or else you're seeing sublimited coverages, which, as we all know, can basically act as an exclusion," Mr. Gold said.

Traditional cyber insurance policies typically exclude bodily injury and property damage because the policies were designed to cover financial losses, said Michelle Chia, New York-based chief underwriting officer, cyber, Americas, for Axa XL.

Organizations now depend on digitally connected assets, and their risks and exposures have expanded, shifting expectations about what insurance policies should cover, Ms. Chia said.

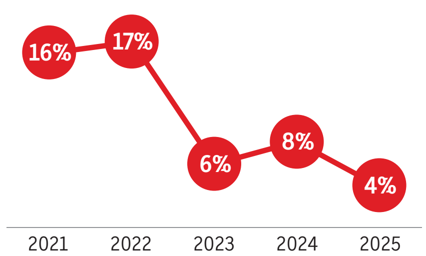
> The cyber insurance market has evolved to "fill the gap that has been left by the lack of appetite within the property market."
>
> Gregory Eskins, Marsh

Coverage for cyber property incidents became an issue after 2017, when cyberattacks like WannaCry and NotPetya caused extensive operational and systems damage to businesses. The attacks exposed the so-called "silent cyber" risk in traditional property policies, prompting insurers to clarify their coverage. Many property insurers added cyber exclusions or sublimits. Also, in 2014, a German steel mill was the target of a cyberattack when hackers successfully took control of the production software, causing material damage to the site.

Generally, property insurers don't want to be in the cyber coverage business, said Gregory Mann, Atlanta-based U.S. property placement leader for Marsh.

CYBERSECURITY BUDGET GROWTH SLOWS

Year-over-year change in cybersecurity budgets



Source: IANS Research

"Are there some writebacks as far as resulting damage for fire and explosion? There are … Are there some expansions past that? There are," Mr. Mann said. Some property insurers offer broader coverage, he said.

FM covers physical damage from cyberattacks up to the policy limit, said Wade Chmielinski, Johnston, Rhode Island-based vice president and hazards manager at the insurer.

Coverage is provided as part of FM's property policy, and policyholders are not required to have specific cybersecurity controls in place, though "in the future, that could change," Mr. Chmielinski said (see related story).

Originally, cyber policies excluded property damage, and exclusions still exist, said Gregory Eskins, Miami-based global cyber product leader at Marsh. But the cyber insurance market has evolved to "fill the gap that has been left by the lack of appetite within the property market," Mr. Eskins said.

While cyber markets haven't traditionally covered physical damage, they do now, said Robert Parisi, New York-based head of cyber solutions-North America at Munich Re.

"It's typically an extension, an additional bit of underwriting to ask some property-like questions. What's your TIV, what's your inventory?" Mr. Parisi said.

In the London market, it's "relatively inexpensive" to get affirmative coverage added to a cyber program or carved back to the property program, said Ryan Griffin, Chicago-based U.S. cyber leader at McGill and Partners.

Interest in the coverage fluctuates based on market cycles and premium costs, he said.

Beazley recently launched a cyber coverage extension for physical damage, targeting large multinational companies, said Melissa Carmichael, New York-based head of U.S. cyber for the insurer. Up to $100 million in limits are available for a single risk under Beazley's Quantum facility, Ms. Carmichael said.

Some cyber policies cover bodily injury and physical damage, but solutions don't exist for every business size in every industry, said Scott Bailey, London-based head of global cyber underwriting at CFC.

For example, a cyberattack causing a catastrophic explosion at an energy plant with a total insured value of $1.5 billion would create a coverage gap. "You probably can't get the cyber market to cover 100% of that loss," because cyber insurers typically take smaller line sizes, Mr. Bailey said.

"The property/casualty market could cover that sort of sum insured in a blink of an eye, but you'd have to find enough P&C insurers with appetite to agree to cover cyber as a peril," he said.

There can be some misconceptions about coverage and where property damage caused by cyber events should be covered, said Dan Law, head of the cyber practice at Hartford Steam Boiler Inspection & Insurance, part of Munich Re.

"Should events be covered on a property policy? Should they be covered on a cyber policy? Is it an appropriate mechanism to do it?" Mr. Law said.

COMPANIES SHOULD ACT TO REDUCE THREAT EXPOSURE

Businesses should actively work to minimize their exposure to cyber threats, especially those that could cause significant physical damage and disrupt operations, insurance experts say.

"Cyber threats have moved from the back rooms of the IT department to the machine room floor of the manufacturing plant," said John Farley, New York-based managing director of Arthur J. Gallagher & Co.'s cyber practice.

Insurers are increasingly focused on whether information technology and operational technology systems are segregated and whether there is strong cyber hygiene around them, Mr. Farley said.

"If there is no proper segregation or cyber management around those two systems, an attack on IT can lead to an attack on operational technology, leading to equipment failures, fires, bodily injury," he said.

Traditionally, cyber underwriters assess a company's information technology network and overall risk posture, said Scott Bailey, London-based head of global cyber underwriting at CFC.

Operational technology operates machinery and infrastructure, making it vulnerable to cyberattacks that cause industrial damage, Mr. Bailey said.

"Some advocate disconnecting your operational technology from the internet because it's the lowest-risk strategy. That's clever, but seems a bit backwards in a world where the internet's enabling so much global connectivity," he said.

Operational technology can be connected to the internet, but with that comes more risk, he said.

The frequency of cyber events causing physical damage is hard to model because there are few historical examples, said Marco Lo Guidice, head of catastrophe modeling at Cyberwrite.

"Heightened political instability generates the conditions for these things to happen more often," Mr. Lo Guidice said. Industry research has shown that cyberattacks causing physical damage are more likely during periods of political instability due to state-sponsored cyber warfare often targeting critical infrastructure like power grids and financial systems.

Claire Wilkinson

Casualty reinsurance capacity expands, but prior year losses generate caution

BY MATTHEW LERNER
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Adverse development for past-year casualty losses is shaping the environment for reinsurance buyers as they head toward Jan. 1 renewals.

While reinsurers have reunderwritten some poor-performing accounts, they remain cautious.

The underwriting years 2015 to 2019, when pricing was soft, are driving the most concern, but adverse development — when underwriters have to add to loss reserves — continued through 2024, some say.

"One of the main discussion points for casualty business continues to be around adverse development," said Beatrice Morley, London-based global head of casualty and head of international reinsurance for Aspen Insurance.

> "There's plenty of capacity there. There's enough capacity out there to get these deals done."
>
> Emily Apostolides, Gallagher Re

Pinpointing future performance remains challenging, given the loss development in recent accident years and the moving target of loss trends, said Chirag Shah, New York-based global head of casualty for Gallagher Re, a unit of Arthur J. Gallagher & Co.

Some years, mainly 2015 through 2019, are still showing adverse development, and cedents' strategies for managing more distressed businesses are key to reinsurance renewal negotiations, Ms. Morley said.

"One of the clear differentiators has been how a company is able to articulate its strategy on how it's able to manage the portfolios going forward, how they've remediated it, what lines of business they've exited and what they've done with their limits," she said.

"In casualty, it's about differentiation," said Jill Beggs, Warren, New Jersey-based executive vice president and CEO of reinsurance for Everest Group.

Providing detailed data such as rate change methodology, policy attachment points and limits on individual claims allows each portfolio to stand on its own merits, she said.

Underwriting discipline imposed in the past few years appears to be working for reinsurers, said Jaimie Hunter, New York-based senior broker with Lockton Re, the reinsurance business of Lockton.

The market is in a "wait and see" position in which most participants think the changes in rates are covering loss trends, she said.

The outlook, though, remains unclear. "The thing that is an unknown for everybody, clients and reinsurers alike, is: Where does the trend go from here?" Ms. Hunter said.

There is some evidence that adverse loss development continued in 2024, said Emily Apostolides, New York-based head of casualty, North America, for Gallagher Re.

"We saw a lot of prior-year development over the last few years; towards the end of 2024 there was quite a bit that came through," she said.

Reinsurers are making sure that underlying pricing is on pace with loss trends, particularly in the excess casualty and umbrella lines, said Christopher Ross, New York-based managing director, New York casualty treaty manager, for Guy Carpenter & Co.

"Excess casualty markets continue to draw rate increases needed to stay above loss trend," said Greg Schiffer, Stamford, Connecticut-based North American CEO, reinsurance, for Axa XL.

"We are also continuing to see some adverse loss development come through, including in some more recent years," he said. "We expect the casualty market to stay fairly consistent."

Casualty capacity for Jan. 1 renewals should be sufficient, Mr. Ross said.

New capacity has entered the market over the past five years, compensating for reductions by reinsurers that have repositioned their portfolios, he said.

"There's plenty of capacity there. There's enough capacity out there to get these deals done," Ms. Apostolides said.

Some reinsurers are cautiously shifting their stance toward casualty, according to Mr. Shah of Gallagher Re.

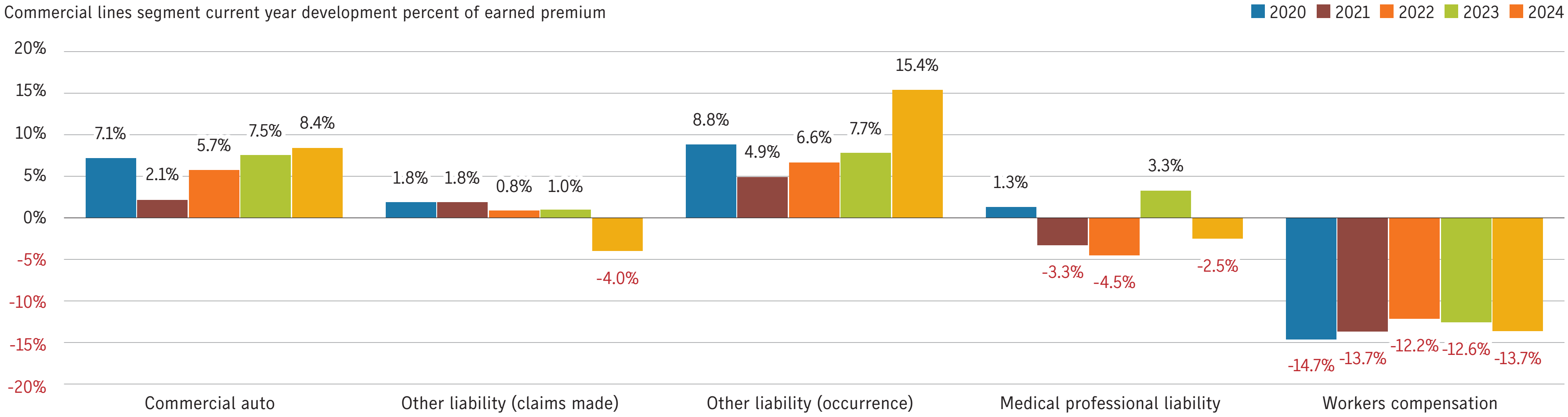
"There is optimism about where it's going," he said.

Several reinsurers have indicated they want to grow their business with key cedents, Ms. Apostolides said.

"The messaging has been pretty firm in the last couple of years around needing to see improvements in pricing, needing to see structures change; that seems to be shifting in tone. It seems like the market is slightly more optimistic, cautiously optimistic around where things may be headed."

US CASUALTY RESERVE DEVELOPMENT

Commercial lines segment current year development percent of earned premium



Sources: Fitch Ratings, S&P Global Market Intelligence

After traditionally focusing on property, alternative capital eyes liability exposures

Alternative reinsurance capital, such as catastrophe bonds, sidecars and collateralized reinsurance, has traditionally targeted property risks, but more capital providers are looking at the casualty side of the business, according to sources.

Activity has increased in the alternative capital sector for casualty reinsurance, according to Emily Apostolides, New York-based head of casualty, North America, for Gallagher Re, the reinsurance business of Arthur J. Gallagher & Co.

The broker has been having many conversations with cedents "both to educate and also potentially explore something like a sidecar," she said.

"A lot of cedents are interested in exploring sidecars. A lot of investors are interested in better understanding the casualty business," Ms. Apostolides said.

Christopher Ross, New York-based managing director, New York casualty treaty manager, for Guy Carpenter & Co., also sees increased activity around alternative capital in the casualty market.

"It is becoming a discussion topic as another source of capacity for clients to access, similar to what they do with property and catastrophe bonds," he said.

There is a lot of potential capacity to be deployed, Mr. Ross said.

Among other deals, last year Aspen Insurance and PIMCO Investment Management formed Pando Re, a Bermuda-domiciled collateralized insurer and reinsurer focused on casualty risks. In August, Enstar Group launched its first casualty reinsurance sidecar, Scaur Hill Re.

Matthew Lerner

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Brian McGann, Marketing Vice President
10-3-25

Paradigm | BI Business Insurance RISK Perspectives

Planning for What's Ahead in Catastrophic Care

Insights to help risk leaders align claims processes with the evolving needs of the most complex and costly workplace injuries.

From the Desk of
Kathy Galia, Chief Clinical Solutions Officer

Despite recent stability in the workers' compensation industry, today's turbulent business climate leaves risk managers with plenty to consider heading into 2026. While reduced claim frequency may have helped contain short-term costs, organizations still face significant headwinds—from rising medical expenses and talent shortages to vendor complexity and regulatory ambiguity.

These uncertainties become even more pronounced when planning for the most serious events. Although rare, a single catastrophic workplace injury can have a tremendous impact, both operationally and financially. This is especially true as catastrophic care grows more expensive and complex, driven by medical inflation, increased survivability, emerging technologies, and a broader range of recovery needs.

As you shape the next evolution of your claims strategy—and evaluate the resources, capabilities, and partnerships needed to support it—consider the following strategic inputs.

Catastrophic Care Is Getting More Expensive

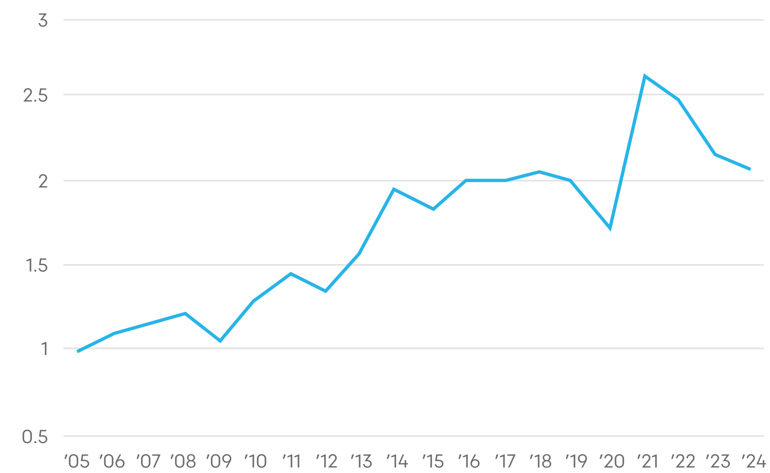
Since 2021, the top 20 high-cost claim diagnoses have seen a 38% increase in costs while the number of million-dollar claims rose by 61%.[1] It should come as no surprise that medical inflation, which continues to outpace general inflation, is a key contributor to this rise in medical spending. Supply chain disruptions, labor shortages, rising operational expenses, and increased development costs have put a strain on payers.

Another major cost driver that remains under-recognized—and for which many organizations are underprepared—is increased survivability. Thanks to rapid first responder actions, advanced trauma care, and medical innovation, seriously injured workers are surviving accidents that were once fatal and living longer than ever. This is unequivocally great news—but it also comes with an objective price tag. The costs associated with just a few weeks of catastrophic injury care can be significant, and lifetime medical expenses or settlements often escalate into the multi-millions. Yet, these investments are essential to enhancing the longevity, quality of life, and independence of injured workers.

These rising costs have first-dollar payers, excess carriers, and reinsurers increasingly concerned about the growing number of catastrophic claims breaching coverage layers. To navigate these challenges, organizations are turning to innovative solutions designed to manage both cost and complexity. These stakeholders benefit from the certainty and medical risk transfer offered by HERO Catastrophic® Outcome Plans, which provide a fixed cost and guaranteed outcome. With a track record of delivering superior outcomes, this model enables payers to expedite planning, accurately set reserves, and achieve early settlements.

Medical Costs Paid by Paradigm

The graph below illustrates the growth in average medical cost that Paradigm incurs for each Outcome Plan contract, normalized to a 2005 baseline. This trend highlights the increasing financial impact of medical inflation, rising care complexity, and improved survivability from more severe injuries.



More Complexity, Fewer Resources

Catastrophic workplace injuries typically require more than 100 medical and surgical encounters in the first year alone. This means a per-case average exceeding 60 medical providers, with the most complicated diagnoses like brain injuries often needing more. Managing this volume and complexity places significant strain on adjusters and diverts attention from other claims at a time when resources are more limited than ever.

According to a labor market study conducted by The Jacobson Group and Aon-Ward,[2] the demand for claims professionals in the property and casualty sector has reached the highest level in more than a decade. Ongoing hiring challenges and a shortage of specialized expertise in catastrophic claims—including your most experienced adjusters in the baby boomer generation retiring at a record pace—have raised serious concerns about the ability to deliver timely and effective interventions for the most severe injuries.

To promptly manage catastrophic injuries, our clients often rely on automated service instructions tailored to these complex cases. Paradigm can collaborate with you to create this guidance, helping your claims team activate the right care pathway utilizing Paradigm's proven model and team of condition-specific clinical experts. As carriers reimagine their forward-looking staffing models, Paradigm's deep bench of clinical experts can be your resource for expert coordination of complex cases that enables you to focus claims management resources where they're needed most.

Focus Area: Critical Care for Burn Injuries

Catastrophic burn injuries illustrate how cost, complexity, survivability, and emerging technologies converge to create uncertainty and demand increasingly specialized expertise. Thirty-eight percent (38%) of cases with a primary diagnosis of a burn injury have a medical spend of over $1 million, and 57% of injured workers with burns spend more than a month in an acute care hospital.[3]

Advances including surgical critical care, nutritional replacements, and novel skin grafting techniques have led to meaningful improvements in survivability rates. Specialized care management—delivered by a multidisciplinary team of surgeons, wound care experts, pain specialists, and behavioral health professionals—has also led to significantly improved long-term outcomes for burn survivors. Providing whole-person care and coordinating seamless transitions across care settings, while accurately managing costs, demands deep clinical expertise and a trusted network of providers with a proven track record.

Catastrophic Care Is Becoming More Advanced

Emerging medical technologies—from osseointegration to gene therapy—are expanding treatment possibilities in profound ways. Yet, they also present growing affordability challenges for payers.

Navigating these advances requires firsthand experience from clinical experts who can both account for them in the care plan while thoroughly planning for their cost and impact to recovery. HERO Catastrophic Outcome Plans leverage more than 1,200 specialized clinicians in our national network, including 60 board-certified physician specialists who are intricately involved in their field of practice. Whether preparing for the impact of GLP-1s or managing advanced burn treatments, our clients benefit from a partner with deep, condition-specific expertise.

Expanding Care: Addressing Psychosocial Needs

The workers' compensation sector is catching up to the effect of psychosocial factors on catastrophic injury recovery. Unaddressed mental health challenges, financial and housing instability, substance misuse, and related concerns affecting both the injured worker and their family can hinder recovery. For already stretched claims teams, this demands more time, more expertise, and more resources to proactively assess and address these critical risk factors.

Successfully broadening catastrophic care to include whole-person, whole-family support requires an established network of behavioral and clinical specialists who are equipped to promote positive psychosocial adjustment. Paradigm Outcome Plans integrate these needs into every step of the care journey, with behavioral health professionals providing support, coping strategies, and resources that help injured workers stay focused on recovery. With this approach, 87% of injured workers avoid the need for ongoing professional behavioral health services.[4]

Proven Expertise for Catastrophic Cases

With a flexible, consultative approach, Paradigm helps organizations navigate these challenges and address the unique needs of every catastrophic case. HERO Catastrophic Outcome Plans consistently create life-changing recoveries for injured workers and families, while ensuring long-term cost savings that limit catastrophic losses hitting excess coverage and reinsurance layers.

Connect with us to explore how Paradigm's experience from more than 20,000 catastrophic cases can help you prepare for what's ahead. We'll work together to deliver superior, durable outcomes for your most severe cases that are validated by a leading independent actuarial firm to achieve 32% lower lifetime medical costs and nearly six times higher return to gainful employment.

Learn more about how we provide certainty and lower lifetime medical costs for catastrophic cases.

paradigmcorp.com/catastrophic

Sources:
[1] Sun Life 2025 Report: High-cost claim and injectable drug trends analysis
[2] The Jacobson Group and Aon-Ward, 2024
[3] Paradigm catastrophic case data
[4] Paradigm case data when a psychosocial specialist is engaged, 2019-April 2025

WORLD'S LARGEST REINSURANCE BROKERS

Ranked by gross revenue from reinsurance brokerage and related activities*

Rank	Company	2024 gross revenue	2023 gross revenue	% increase (decrease)	2024 employees	Officers
1	Aon's Reinsurance Solutions[1]	$2,656,000,000	$2,481,000,000	7.1%	4,201[2]	Steve Hofmann, CEO-Americas; Alfonso Valera, CEO-international
2	Guy Carpenter & Co.	$2,362,349,742	$2,258,727,705	4.6%	3,649	Dean Klisura, CEO
3	Gallagher Re	$1,093,678,000	$985,305,000	11.0%	2,226	Tom Wakefield, global CEO
4	Howden Re	$600,000,000[2]	$576,000,000[2]	4.2%	N/A	Tim Ronda, CEO
5	Lockton Reinsurance	$365,074,000	$283,135,108	28.9%	500	Timothy Gardner, global CEO
6	Acrisure	$250,000,000	$200,000,000[3]	25.0%	19,598	Greg Williams, chairman-CEO
7	BMS Re	$173,994,975[2,7]	$157,694,625[2,5]	10.3%	325	Nick Cook, group CEO
8	UIB Group	$100,277,394[4]	$95,244,144[5]	5.3%	650	Bassem Kabban, chairman-group CEO
9	Miller Insurance Services[6]	$84,616,840[7]	N/A	N/A	144	James Hands, CEO
10	Holborn	$75,500,000	$68,500,000	10.2%	76	Frank Harrison, chairman-CEO

*Includes all reinsurance revenue reported through holding and/or subsidiary companies. [1]From survey submitted for *Business Insurance* 2025 Top 100 Agent and Broker directory. [2]*BI* estimate. [3]From annual report. [4]Restated. 2024 British pound = USD$1.2804. [5]2023 British pound = USD$1.2743. [6]Miller 2023 numbers from 2024 *BI* Reinsurance Broker Directory reflected all of Miller's business and were removed in 2025 directory. [7]2024 British pound = USD$1.2782. N/A = Not available.
Source: *BI* survey

WORLD'S LARGEST REINSURERS

In May 2017, the International Accounting Standards Board issued International Financial Reporting Standards 17 to replace IFRS 4 to provide a more consistent framework and transparent accounting of insurance contracts. IFRS 17 requires a company to recognize profits as it delivers insurance services, rather than when it receives premiums, and to provide information about insurance contract profits the company expects to recognize in the future. Compliance with the regulation was phased in.

Ranked by unaffiliated gross premium written or gross revenue in 2024[1]

			PROPERTY/CASUALTY + LIFE & HEALTH		
Non-IFRS 17 rank	IFRS 17 rank	Company	Reinsurance gross premiums written	Reinsurance gross revenue	Combined ratio
	1	Munich Reinsurance		$40,899,566,400	82.4%
	2	Swiss Re[2,3]		$36,837,000,000	89.9%
	3	Hannover Re		$28,547,678,460	86.6%
1		Berkshire Hathaway Reinsurance Group	$26,906,000,000		98.2%
2		Lloyd's of London[2]	$23,937,534,900		86.9%
	4	Scor[2]		$17,451,557,200	86.3%
3		Reinsurance Group of America[4]	$15,573,000,000		104.0%
4		Everest Re Group[2]	$12,941,000,000		89.7%
5		RenaissanceRe Holdings[2]	$11,733,066,000		83.9%
6		Arch Capital Group[2]	$11,112,000,000		83.2%
7		PartnerRe[2]	$9,345,484,000		90.6%
	5	China Reinsurance (Group)[2]		$7,785,198,400	99.6%
8		MS&AD Insurance Group Holdings[4]	$6,836,000,000		95.0%
9		Transatlantic Reinsurance Co., dba TransRe	$6,139,787,915		N/A
10		General Insurance Corp. of India[2]	$4,443,220,320		111.8%

[1]All non-USD currencies converted to USD using the average foreign currency rate over 2024. [2]From annual report. [3]Swiss Re moved to International Financial Reporting Standards (IFRS 17) for financial reporting in 2024.
[4]Based on Top Global Reinsurance Groups report by A.M. Best.
Source: *BI* survey

PROFESSIONAL REINSURANCE MARKET

This chart captures the industry's professional reinsurers — insurers in which reinsurance is their primary business, particularly through unaffiliated assumptions. This section represents the aggregated results of 33 reinsurers that are considered professional reinsurers. The same group of reinsurers is used for all five years of data.

	2023 to 2024 year-over-year change	2024	2023	2022	2021	2020
Net premiums written	21.1%	$46,020,000,000	$38,015,000,000	$45,039,000,000	$47,710,000,000	$35,561,000,000
Net premiums earned	17.5%	$44,655,000,000	$38,007,000,000	$44,007,000,000	$44,135,000,000	$34,106,000,000
Combined ratio	5.4 points	100.7%	95.3%	99.5%	101.0%	106.0%
Net investment income earned	20.0%	$5,295,000,000	$4,412,000,000	$3,242,000,000	$2,487,000,000	$2,648,000,000
Net income	(20.8%)	$3,586,000,000	$4,525,000,000	$2,160,000,000	$1,116,000,000	$1,327,000,000

Source: National Association of Insurance Commissioners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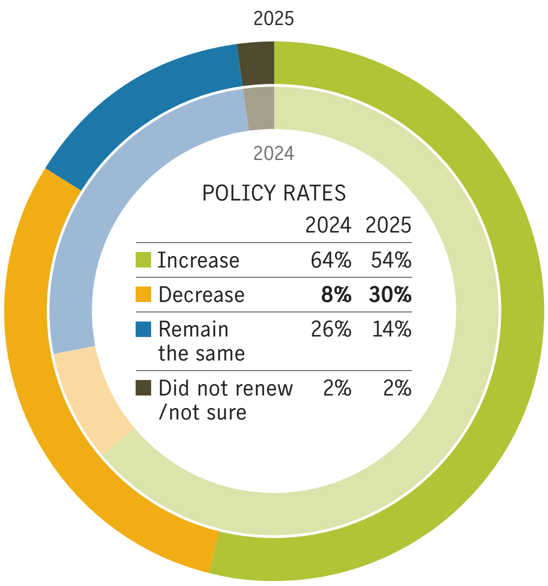
2025 Property Insurance Survey

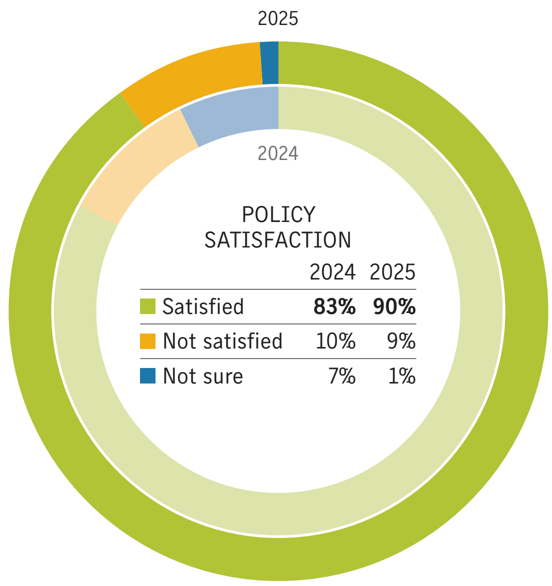
BY ROBERT KEENAN
rob@businessinsurance.com

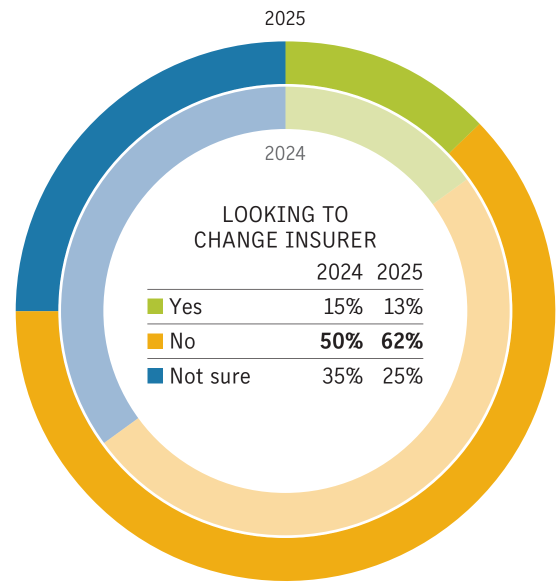
Changes in rates at renewals provided one of the biggest outtakes in *Business Insurance*'s 2025 Property Insurance Survey. Unlike the past two years, when renewal rates remained flat, 30% of respondents reported a reduction in renewal rates in 2025, up from 8% in 2024.

As shown in the 2025 survey, respondents also remained happy with their insurers. Last year, 50% of respondents said they were not looking to change insurers. That rose for the third straight year, to 62% in 2025. This is highlighted by when risk managers last changed policies. According to the survey, on average, respondents said the last time they switched their property insurers was about seven years ago.

RATES & SATISFACTION







Business Insurance commissioned Signet Research Inc. to conduct the annual online survey, which drew 497 responses. However, only responses from 103 risk managers and insurance buyers involved with insurance purchase decisions for their organizations were used in the report. The base used is the total answering each question.

FACTORS

As in 2024, price, breadth of coverage and value-added services remain the top three most important factors that will motivate risk managers to switch their policies.

PRICE **68%**

BREADTH OF COVERAGE **61%**

VALUE-ADDED SERVICES **26%**

SERVICING TEAM MEMBERS **17%**

NEW INSURER **5%**

OTHER **6%**

INSURERS

An average of 15 insurers participate in an organization's property insurance program, covering an average of $2.3 billion in total asset value at an average total premium of $4.1 million. That compares with an average of 12.3 insurers covering an average of $2.5 billion in total asset value at an average of $4.4 million in total annual premium in 2024. Just shy of 60% of this year's respondents use only one insurer to cover all their U.S. properties.

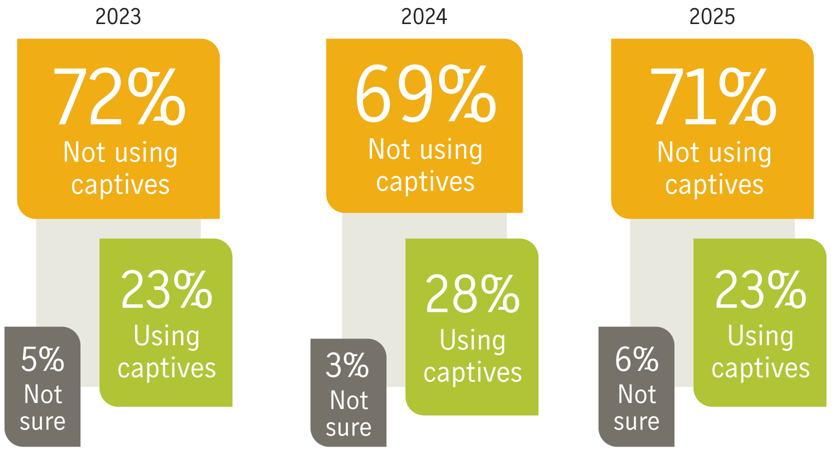
We use one insurer to cover all of our U.S. properties, and we do not have non-U.S. properties.	**44%**
We use multiple insurers to cover all of our U.S. properties, and we do not have non-U.S. properties.	25%
We use multiple insurers to cover all of our U.S. properties and multiple insurers to cover our non-U.S. properties.	11%
We use one insurer to cover all of our U.S. and non-U.S. properties.	**8%**
We use one insurer to cover all of our U.S. properties and different insurers to cover our non-U.S. properties.	**7%**
We use multiple insurers to cover all of our U.S. properties and one insurer to cover our non-U.S. properties.	2%
Not sure	4%

FM Global and Lloyd's of London are the top two insurers serving as the main property insurance policy providers, based on this year's survey.

FM Global	**13%**
Lloyd's of London	**10%**
Chubb	6%
Liberty Mutual Insurance Co.	6%
Travelers Cos.	6%
Zurich Insurance Group	6%
American International Group	4%
The Hartford	3%
Berkshire Hathaway	2%
CNA Financial	2%

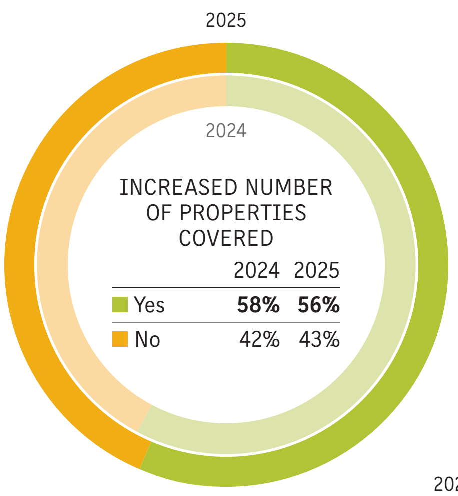
CAPTIVES

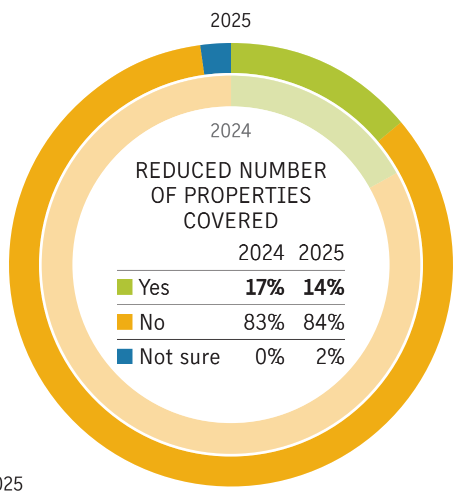
The percentage of respondents who use captives to insure some or all of their risks dropped back to 23%, the level reported in *BI*'s 2023 survey.

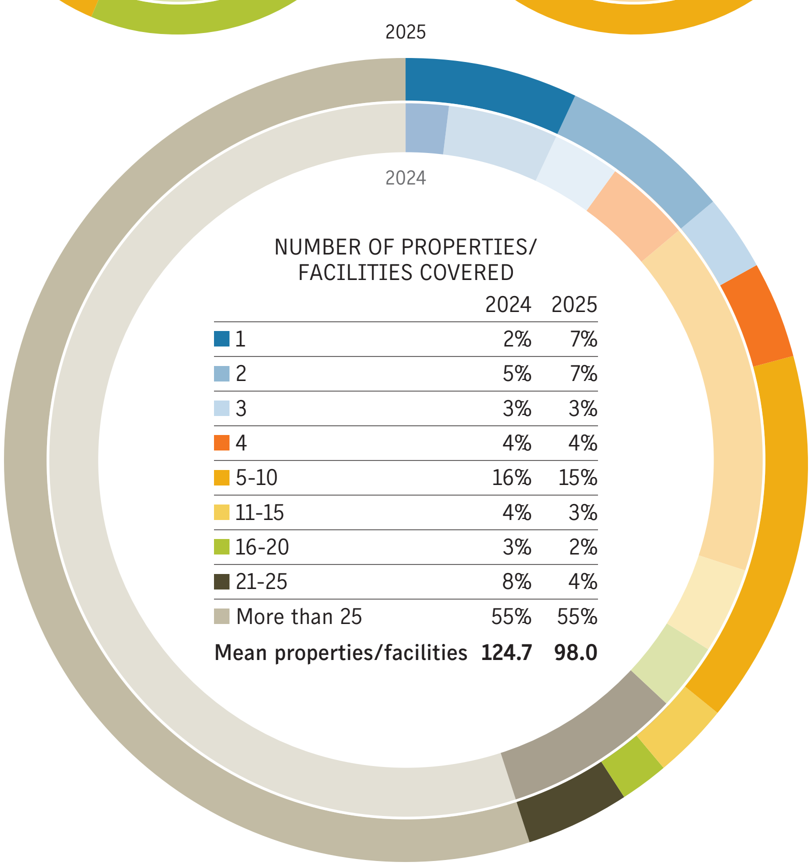


PROPERTIES COVERED

The percentage of respondents who said their organizations increased the number of properties under their property insurance program in the past year remained relatively flat (56% in 2025 vs. 58% in 2024). Respondents who reduced the number of properties covered dropped from 17% to 14%. The average number of properties or facilities covered per property insurance program also fell, from 124.7 in 2024 to 98 in 2025.







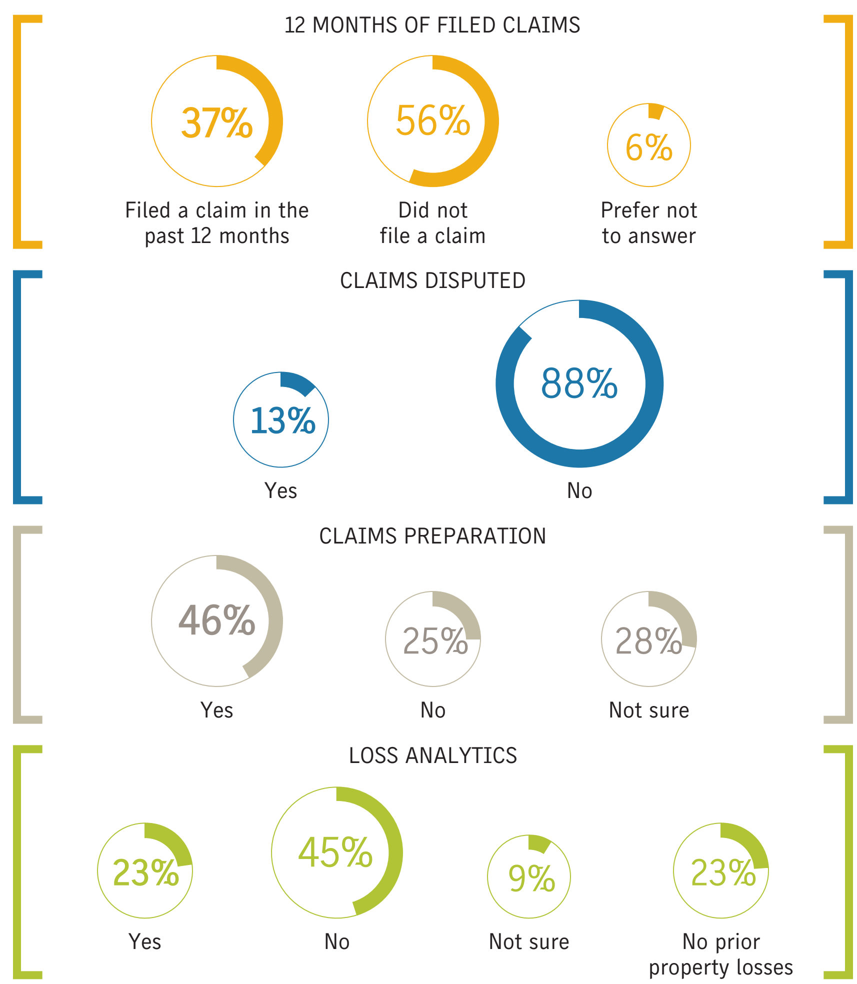
COVERED ZONES

In the 2025 survey, 47% of respondents said they have properties in flood-prone zones and 43% said they have properties in hurricane-prone zones.

Flood	**47%**	Tsunamis	5%
Hurricanes	**43%**	Volcanic activities	5%
Earthquakes	36%	Other	5%
Tornadoes	33%	None of the above	27%

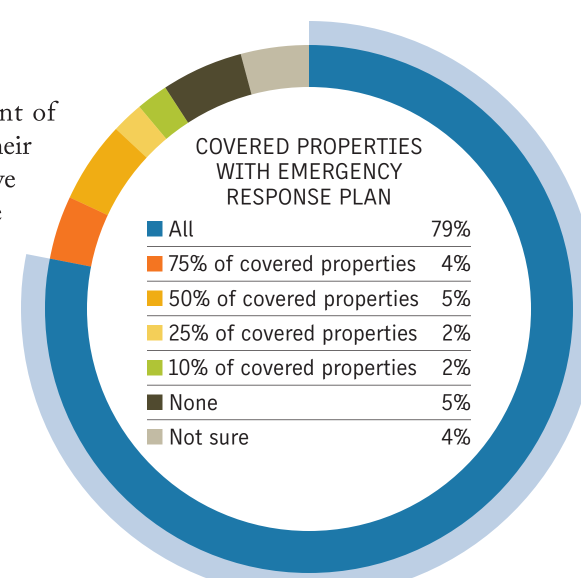
CLAIMS

In the trailing 12 months at the time of the survey, 37% of respondents filed property insurance claims, with 13% indicating their claims were disputed. Forty-six percent said their policies include cost of claims preparation, and 23% said they received analytics on prior property losses from their restoration partners.



EMERGENCY RESPONSE PLAN

Seventy-nine percent of respondents said all their covered properties have emergency response plans and that their organization updates the plans on average every two years.



BUSINESS INSURANCE

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In recognition and celebration of the 20th anniversary, the *Business Insurance* **2025 Women to Watch Awards** will honor exceptional women from every facet of the commercial insurance industry. We will recognize our 2025 **Women to Watch nominees** as well as **Iconic Leaders** from the past 20 years who have made significant contributions in the industry.

A professional development and networking conference was added to the *Business Insurance* **Women to Watch** recognition program in 2011 to address the advantages of achieving greater gender diversity in leadership roles. An Advisory Board of past honorees and insurance industry leaders guide the development of the conference content.

WINNER RECOGNITION

- Winners of this year's **Women to Watch Awards** will be announced on **BusinessInsurance.com** in early August.
- Winners will be recognized in ceremonies at the **Women to Watch Awards & Leadership Conference** events and their profiles will be published in the **December 2025 issue** and on **BusinessInsurance.com**.

LEARN MORE ABOUT THE U.S. CONFERENCE:
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More results from survey of agents, brokers

These charts present the second set of results from *Business Insurance*'s annual survey of agents and brokers; the first were published in June. Additional 2025 rankings include the top 25 benefits brokers by growth, most productive agents and brokers, brokers to watch, top brokers of wholesale business, fastest-growing brokers and largest commercial retail brokers.

The rankings contain several new entrants and several brokerages have fallen from the rankings because they were acquired by or merged with other companies in a sector that continues to see consolidation.

If you are with a broker with $10 million or more in 2025 revenue, email Rob Keenan at rob@businessinsurance.com to be added to the invite list to participate in the 2026 survey.

TOP 25 BENEFITS BROKERS BY GROWTH

Ranked by rate of growth in 2024 employee benefits revenue*

Rank	Company	2024 employee benefits revenue	% increase	% of total revenue
1	Superior Insurance Partners	$6,114,783	577.1%[1]	9.0%
2	Inszone Insurance Services	$22,654,098	123.3%	9.1%
3	Choice Financial Group	$19,822,240	105.5%	32.0%
4	Trucordia[2]	$191,000,000	82.7%	21.0%
5	Keystone Agency Partners	$61,902,000	82.0%	17.8%
6	Alkeme	$34,200,000	55.3%	18.0%
7	Hotchkiss Insurance	$6,000,000	50.0%	12.5%
8	Sterling & Sterling, dba SterlingRisk	$6,954,934	47.0%	5.8%
9	GrECo International Holding	$12,475,000	45.0%	7.3%
10	King Risk Partners	$1,366,135	41.1%	2.1%
11	Alliant Insurance Services	$1,140,530,450	38.0%	22.5%
12	M&O Agencies, dba The Mahoney Group	$10,435,715	33.8%	14.0%
13	CCIG	$3,032,819	31.5%	11.4%
14	CAC Group	$24,875,743	29.3%	8.4%
15	Heffernan Group	$29,325,983	29.1%	12.4%
16	The MJ Cos.	$38,600,175	27.4%	56.0%
17	Brightline Insurance Group	$1,747,701	25.1%	4.2%
18	TrueNorth Cos.	$18,409,644	23.5%	13.4%
19	The Cason Group	$25,317,778	22.6%	66.4%
20	Unison Risk Advisors	$90,539,060	22.2%	37.1%
21	Houchens Insurance Group	$27,759,637	22.0%	24.6%
22	Higginbotham	$252,104,000	20.4%	27.7%
23	Arthur J. Gallagher & Co.	$2,171,017,000	19.3%	18.8%
24	FBMC Benefits Management	$28,128,493	18.9%	92.4%
25	Relation Insurance	$60,000,000	17.6%	19.0%

*To be ranked, brokers must have generated $500,000 or more in employee benefits revenue in 2024. Companies deriving more than 49% of revenue from personal lines are not ranked. [1]Growth tied to acquisitions. [2]Formerly PCF Insurance Services.

Source: *BI* survey

BENEFITS SPECIALISTS

Brokers specializing in employees benefits, ranked by percentage of business*

Company	2024 employee benefits revenue	% increase (decrease)	% total
FBMC Benefits Management	$28,128,493	18.9%	100%
DSG Benefits Group	$1,375,000	12.7%	100%
The Cason Group	$25,317,778	22.6%	66.4%
The Plexus Groupe	$23,837,802	(2.4%)	60.0%
CBIZ Benefits & Insurance Services	$198,600,000	11.8%	58.5%
Willis Towers Watson	$5,578,000,000	2.8%	57.3%
The MJ Cos.	$38,600,175	27.4%	56.9%
Digital Insurance, dba OneDigital	$587,706,765	2.1%	56.8%
Patriot Growth Insurance Services	$291,515,000	2.1%	52.4%

*Companies with 51% or more of brokerage revenue from employee benefits.

Source: *BI* survey

MOST PRODUCTIVE AGENTS AND BROKERS

Intermediaries ranked by 2024 brokerage revenue per employee*

		Brokerage revenue per employee			Brokerage revenue			Employees		
Rank	Company	2024	2023	% increase (decrease)	2024	2023	% increase (decrease)	2024	2023	% increase (decrease)
1	Panorama Insurance Associates	$911,188	$833,963	9.3%	$59,227,205	$56,709,463	4.4%	65	68	(4.4%)
2	CAC Group	$520,457	$508,741	2.3%	$285,210,519	$253,861,904	12.3%	548	499	9.8%
3	Brightline Insurance Group	$490,862	$406,033	20.9%	$41,232,416	$34,512,802	19.5%	84	85	(1.2%)
4	Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants	$364,088	$348,530	4.5%	$1,237,900,000	$1,149,103,000	7.7%	3,400	3,297	3.1%
5	Alliant Insurance Services	$355,946	$316,190	12.6%	$4,995,700,384	$3,864,154,324	29.3%	14,035	12,221	14.8%
6	Bowen, Miclette & Britt Insurance Agency	$353,806	$310,320	14.0%	$86,682,400	$71,373,518	21.4%	245	230	6.5%
7	The Baldwin Group[1]	$332,695	$304,639	9.2%	$1,389,000,000	$1,218,555,000	14.0%	4,175	4,000	4.4%
8	Automatic Data Processing Insurance Agency	$330,166	$320,549	3.0%	$357,569,512	$334,012,038	7.1%	1,083	1,042	3.9%
9	Sterling & Sterling, dba SterlingRisk	$324,111	$282,061	14.9%	$96,909,271	$75,028,148	29.2%	299	266	12.4%
10	Accession Risk Management Group, dba Risk Strategies Co. and One80 Intermediaries[2]	$319,419	$297,595	7.3%	$1,713,683,476	$1,465,954,968	16.9%	5,365	4,926	8.9%
11	Alera Group	$314,380	$303,672	3.5%	$1,432,000,000	$1,290,000,000	11.0%	4,555	4,248	7.2%
12	Sterling Seacrest Pritchard	$313,375	$310,956	0.8%	$117,515,600	$110,700,500	6.2%	375	356	5.3%
13	First Mid Insurance Group	$311,111	$294,118	5.8%	$28,000,000	$25,000,000	12.0%	90	85	5.9%
14	Christensen Group	$310,073	$309,193	0.3%	$67,596,012	$62,766,269	7.7%	218	203	7.4%
15	Ames & Gough	$309,524	$300,000	3.2%	$19,500,000	$18,000,000	8.3%	63	60	5.0%
16	IMA Financial Group	$298,218	$295,093	1.1%	$816,820,210	$686,681,840	19.0%	2,739	2,327	17.7%
17	Lockton Cos.	$297,575	$293,551	1.4%	$3,938,108,000	$3,499,132,000	12.5%	13,234	11,920	11.0%
18	The MJ Cos.	$296,253	$252,652	17.3%	$67,842,008	$55,836,171	21.5%	229	221	3.6%
19	Insurors Group	$294,927	$252,328	16.9%	$104,404,080	$95,380,000	9.5%	354	378	(6.3%)
20	Starkweather & Shepley Insurance Brokerage	$291,037	$276,595	5.2%	$91,094,695	$85,191,291	6.9%	313	308	1.6%
21	Swingle, Collins & Associates	$287,855	$288,123	(0.1%)	$46,344,700	$42,642,180	8.7%	161	148	8.8%
22	Unico Group	$285,300	$271,848	4.9%	$40,227,256	$35,612,087	13.0%	141	131	7.6%
23	Houchens Insurance Group	$282,406	$261,295	8.1%	$112,115,275	$96,940,418	15.7%	397	371	7.0%
24	M&O Agencies, dba The Mahoney Group	$281,767	$278,125	1.3%	$67,624,107	$60,074,901	12.6%	240	216	11.1%
25	Marsh McLennan Cos.[3]	$281,456	$262,882	7.1%	$25,331,000,000	$22,345,000,000	13.4%	90,000	85,000	5.9%

*Companies with more than 50 employees assigned to brokerage. Brokerages that derive more than 49% of their revenue from personal lines are not ranked. [1]Formerly Baldwin Risk Partners. [2]Formerly RSC Insurance Brokerage, dba Risk Strategies Co. Acquired by Brown & Brown. [3]Pro forma reflecting acquisition of McGriff Insurance Services Nov. 15, 2024.

Source: *BI* survey

BEYOND THE TOP 100 BROKERS

BROKERS TO WATCH

Ranked by 2024 brokerage revenue generated by U.S.-based clients

2025 rank	2024 rank	Company	2024 brokerage revenue	% increase (decrease)
101	106	Moody Insurance Agency	$28,860,720	5.5%
102	NR	FBMC Benefits Management	$28,128,493	18.9%
103	108	First Mid Insurance Group	$28,000,000	12.0%
104	107	C3 Risk & Insurance Services	$27,505,000	2.2%
105	109	Otterstedt Insurance Agency	$26,246,835	5.6%
106	110	CCIG	$23,874,317	9.9%
107	111	Haas & Wilkerson Insurance	$23,236,817	12.6%
108	114	R.W. Troxell & Co., dba Troxell	$21,686,961	10.4%
109	113	Dean & Draper Insurance Agency	$20,319,040	0.4%
110	116	Ames & Gough	$19,110,000	8.3%

NR = not ranked.

TOP BROKERS OF WHOLESALE BUSINESS*

Ranked by 2024 wholesale revenue, including property/casualty

Rank	Company	2024 wholesale revenue	2023 wholesale revenue	% increase (decrease)
1	Arthur J. Gallagher & Co.[1]	$1,346,586,000	$1,118,210,000	20.4%
2	Brown & Brown[2]	$1,238,339,524	$1,153,121,907	7.4%
3	Acrisure	$745,695,430	$143,457,051	419.8%
4	Alliant Insurance Services	$558,563,137	$489,458,151	14.1%
5	Hub International	$508,401,000	$417,721,000	21.7%
6	Accession Risk Management Group, dba Risk Strategies Co. and One80 Intermediaries[3]	$498,214,723	$428,474,363	16.3%
7	Lockton Cos.	$200,476,000	$187,018,000	7.2%
8	USI Insurance Services	$115,520,771	$116,874,929	(1.2%)
9	Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants	$110,500,000	$103,800,000	6.5%
10	AssuredPartners[4]	$95,580,000	N/A	N/A

*Brokers deriving less than 50% of revenue from wholesale brokerage business. [1]Does not include revenue from AssuredPartners, which Arthur J. Gallagher & Co. acquired in August 2025. [2]Does not include revenue from Accession Risk Management, which Brown & Brown acquired in August 2025. [3]Purchased by Brown & Brown. [4]Purchased by Arthur J. Gallagher & Co. N/A = not available.

Source: *BI* survey

FASTEST-GROWING BROKERS

Ranked by rate of growth in 2024 U.S. brokerage revenue*

Rank	Company	2024 revenue	% increase
1	Superior Insurance Partners	$67,641,412	172.6%
2	Inszone Insurance Services	$177,320,191	59.1%
3	Alkeme	$180,500,000	58.3%
4	Worldwide Risk Management	$1,250,000	42.9%
5	Keystone Agency Partners	$326,810,000	42.1%
6	Choice Financial Group	$61,944,499	36.4%
7	Shepherd Insurance	$115,569,153	34.3%
8	King Risk Partners	$64,572,483	33.4%
9	Schaefer Enterprises	$1,600,000	33.3%
10	Alliant Insurance Services	$4,969,605,524	29.6%
11	Sterling & Sterling, dba SterlingRisk	$96,909,271	29.2%
12	Signers National	$65,936,742	27.6%
13	Aon	$7,497,381,760	27.1%
14	Champion Commercial Insurance Agency	$4,700,000	23.7%
15	Glenwood Insurance Agency/ Continental Insurance Agency Alliance	$13,364,119	23.6%
16	Oakbridge Insurance Agency	$122,978,000	22.9%
17 (tie)	Lockton Cos.	$2,874,818,840	22.6%
17 (tie)	World Insurance Associates	$564,000,000	22.6%
19	The Cason Group	$38,133,328	21.9%
20	The MJ Cos.	$67,842,008	21.5%
21	Bowen, Miclette & Britt Insurance Agency	$86,682,400	21.4%
22	Higginbotham	$905,023,000	20.8%
23 (tie)	First Insurance Group, dba FNIC	$67,583,607	20.4%
23 (tie)	Kaplansky Insurance Agency	$24,365,673	20.4%
25	Robertson Ryan Insurance	$91,881,396	19.9%
26 (tie)	Hotchkiss Insurance	$48,100,000	19.5%
26 (tie)	Unison Risk Advisors	$233,747,187	19.5%
26 (tie)	Brightline Insurance Group	$41,232,416	19.5%
29	IMA Financial Group	$816,820,210	19.0%
30	FBMC Benefits Management	$28,128,493	18.9%

*Companies with less than $1 million in brokerage revenue and/or deriving more than 49% of their brokerage revenue from personal lines are not ranked.

Source: *BI* survey

LARGEST U.S. COMMERCIAL RETAIL BROKERS

Ranked by 2024 commercial retail brokerage revenue from U.S. offices

Rank	Company	2024 commercial retail revenue*	% increase (decrease)	% of U.S. brokerage revenue
1	Marsh McLennan Cos.	$8,317,000,000	32.8%	65.7%
2	Aon	$4,097,624,560[1]	0.8%[1]	54.7%[1]
3	Arthur J. Gallagher & Co.	$3,053,997,000	26.3%	43.1%
4	Acrisure	$2,681,007,633	3.0%	77.0%
5	Alliant Insurance Services	$2,342,154,076	23.7%	47.1%
6	Hub International	$1,839,022,000	11.4%	48.2%
7	Lockton Cos.	$1,688,592,000	10.1%	58.7%
8	Brown & Brown	$1,342,766,941	7.0%	33.3%
9	Willis Towers Watson	$1,332,000,000	7.7%	26.3%
10	USI Insurance Services	$1,269,951,315	3.5%	45.6%
11	AssuredPartners[2]	$1,244,942,000	(6.7%)	44.3%
12	BroadStreet Partners	$1,187,444,000	13.4%	68.3%
13	Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants	$767,828,000	12.8%	62.0%
14	Accession Risk Management Group, dba Risk Strategies Co. and One80 Intermediaries[3]	$677,946,420	20.5%	40.0%
15	Alera Group	$639,000,000	10.2%	44.6%
16	Higginbotham	$526,100,000	16.2%	58.1%
17	The Baldwin Group	$519,292,000	42.7%	37.5%
18	IMA Financial Group	$497,072,378	22.4%	60.9%
19	Trucordia	$436,000,000	(2.7%)	48.0%
20	Digital Insurance, dba OneDigital	$379,142,299	127.6%	36.6%
21	World Insurance Associates	$290,000,000	26.1%	51.4%
22	Leavitt Group	$271,399,000	8.2%	53.1%
23	Insurance Office of America	$265,817,552	7.1%	82.1%
24	High Street Insurance Partners	$250,388,834	17.4%	45.0%
25	CAC Group	$248,736,126	11.6%	88.1%
26	Automatic Data Processing Insurance Agency	$191,803,475	7.1%	53.6%
27	Keystone Agency Partners	$189,129,000	26.2%	57.9%
28	Patriot Growth Insurance Services	$174,614,000	27.9%	31.4%
29	Relation Insurance	$153,250,000	17.0%	48.7%
30	Cross Financial, dba Cross Insurance	$151,993,000	3.6%	49.5%
31	Heffernan Group	$141,433,566	4.4%	67.4%
32	Hylant Group	$141,055,448	9.5%	62.9%
33	Insurica Insurance Services	$135,192,327	7.0%	70.6%
34	Cottingham & Butler	$132,117,000	7.9%	38.2%
35	Alkeme	$111,215,000	58.9%	61.6%
36	Unison Risk Advisors	$108,611,759	15.5%	46.5%
37	Sunstar Insurance Group	$102,000,000	16.4%	61.8%
38	The Liberty Co. Insurance Brokers	$99,557,075	16.2%	52.3%
39	TrueNorth Cos.	$90,285,970	9.3%	66.2%
40	CBIZ Benefits & Insurance Services	$88,700,000	(2.3%)	26.1%
41	Inszone Insurance Services	$82,959,455	26.1%	46.8%
42	Sterling & Sterling, dba SterlingRisk	$82,073,085	31.7%	84.7%
43	Houchens Insurance Group	$78,862,428	16.8%	70.3%
44	Sterling Seacrest Pritchard	$78,201,896	8.8%	66.5%
45	Oakbridge Insurance Agency	$77,312,000	47.5%	62.9%
46	Insurors Group	$77,040,420	12.4%	73.8%
47	Towne Insurance Agency	$74,832,274	11.7%	63.5%
48	Shepherd Insurance	$72,692,024	40.8%	62.9%
49	James A. Scott & Son, dba Scott Insurance	$72,221,654	6.8%	66.4%
50	M3 Insurance Solutions	$68,044,734	8.2%	52.3%

*Excluding revenue from placement of employee benefits. [1]*BI* estimate. [2]Purchased by Arthur J. Gallagher & Co. [3]Purchased by Brown & Brown.
Source: *BI* survey

TARGETS OF THE TOP 15

TARGET INDUSTRIES

Industries targeted by the top 15 brokers of U.S. business

Industry	Number of brokers	Percent
Health care	11	73.3%
Marine	11	73.3%
Real estate	11	73.3%
Agribusiness	10	66.7%
Aviation	10	66.7%
Construction	10	66.7%
Financial services	10	66.7%
Public sector/government	10	66.7%
Transportation/logistics	10	66.7%
Energy	9	60.0%
Higher education	9	60.0%
Nonprofit organizations	9	60.0%
Private equity/investment capital	9	60.0%
Retail	9	60.0%
Technology	9	60.0%
Automotive	8	53.3%
Food and beverage	8	53.3%
Consumer durables	6	40.0%
Entertainment	6	40.0%
Biotechnology	5	33.3%
Consumer nondurables	5	33.3%
Pharmaceutical/chemical	5	33.3%
Power industry	5	33.3%
Clothing, textile	4	26.7%
Media	3	20.0%
Mining	3	20.0%
Telecommunications	3	20.0%
Rail	2	13.3%

TARGET CLIENTS

Target clients by revenue among the top 15 brokers of U.S. business

Revenue	Number of brokers	Percent
Up to $10 million	7	46.7%
More than $10 million up to $50 million	7	46.7%
More than $50 million up to $100 million	7	46.7%
More than $100 million up to $500 million	7	46.7%
More than $500 million up to $1 billion	4	26.7%
More than $1 billion up to $3 billion	3	20.0%
More than $3 billion up to $5 billion	4	26.7%

Source: *BI* Survey

COMMENTARY

Striking a balance in liability reforms

Rising court awards and settlements have become a huge issue for the insurance and risk management sector, regularly cited as the principal cause of continued increases in liability insurance premiums, particularly for commercial auto rates.

Plaintiffs lawyers are often blamed for the rise, and one only needs to drive along a busy highway and read the adjacent billboards to see how frequently and effectively they ply their services to interested parties who may have been injured in a crash or at work.

Insurers hit back with references to social inflation, nuclear verdicts, thermonuclear verdicts and so-called legal system abuse.

The root causes are also debated by both sides, with plaintiffs blaming greedy and heartless corporations and insurers decrying soulless lawyers who use emotionally charged "reptile theory" tactics to sway juries as well as profit-driven, largely anonymous third-party litigation funders standing behind the lawsuits.

Gavin Souter
EDITOR

It would be nice to think that both sides could use more measured tones and arguments, but also Pollyannaish in the era of hyperbole we are living through.

Regardless, the available numbers show a situation that will only continue to drive up costs for companies and their insurers.

According to a recent Marathon Strategies analysis, 135 lawsuits resulted in jury awards exceeding $10 million in 2024, a 52% increase over the prior year. Even more striking, verdicts above $100 million nearly doubled, to 49.

What will ultimately be paid after appeals are exhausted remains a matter of debate; however, the trend appears to be clear.

A fair justice system must serve all interests: fairly compensating injured parties while preventing unreasonable financial burdens on companies and insurers, which ultimately increase costs for consumers. Quantifying harm is inherently subjective; however, reaching a balanced consensus on liability awards is essential for long-term stability for everyone.

There is reason for cautious optimism. Several states, including Florida, have implemented tort reforms aimed at reducing excessive verdicts. Florida, once known for frequent verdicts over $10 million, experienced a significant decline after reforms, with insurers reporting noticeable improvements. Georgia also recently enacted reforms, though the results are still to be determined.

Additionally, several states are introducing transparency laws for third-party litigation funding, ensuring that while citizens can access the courts, the financial backing behind the lawsuits is visible. Insurers rightly view greater transparency of lawsuit funding as an essential step in changing the David vs. Goliath narrative in corporate legal disputes.

Wider changes may take some time, but liability reform is always a long game, given the array of constituents involved. Input from risk managers and insurers, though, remains vital, along with accurate and realistic data on the scope of the problem.

Reform takes time and collaboration, but the promise of a fairer, more stable system is worth the effort.

TOP 10 CORPORATE VERDICTS OF 2024

VERDICT	CATEGORY	DEFENDANT	STATE	SECTOR
$5,230,000,000	Products liability	Affinitylifestyles.com	Nevada	Beverages
$4,700,000,000	Antitrust	National Football League	California	Movies and entertainment
$3,089,750,000	Products liability	Affinitylifestyles.com	Nevada	Beverages
$2,250,000,000	Products liability	Bayer	Pennsylvania	Fertilizers and agricultural chemicals
$1,600,000,000	Fraud	CCA Construction	New York	Construction and engineering
$847,000,000	Intellectual property	Verizon Communications	Texas	Telecommunication services
$725,000,000	Products liability	Exxon Mobil	Pennsylvania	Oil and gas
$604,900,000	Trade secrets	Phillips 66	California	Oil and gas
$525,000,000	Intellectual property	Amazon	Illinois	Internet software and services
$495,000,000	Products liability	Abbott Laboratories	Missouri	Health care equipment

Source: Marathon Strategies

VIEWPOINT

Tech demands human touch

BY CLAIRE WILKINSON
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Technology is reshaping daily routines, including how we check in for flights, check out at grocery stores and drive cars. But to get the most out of technology, people need to be part of the process.

On a recent trip, my family and I found ourselves in a very long TSA line. Like many travelers, we were juggling multiple carry-on bags, photo IDs and phones with electronic boarding passes. To avoid dropping anything, my wife put her ID and phone in her pocket. When we reached the TSA agent, she took out her phone and was met with the message: "Your cancellation request has been successful."

Yes, she had managed to cancel our entire trip home — right from the pocket of her skirt. It didn't matter that we were already checked in for the flight and less than an hour from departure. Fortunately, at the gate, a quick-thinking airline employee was able to rebook us on the same flights, even if not in the same seats. We're still baffled as to how an airline app or phone could be designed in a way that random taps might cancel an entire reservation. Think of all the parents who hand their phones to children while waiting in line at the airport. It shouldn't be that easy.

Self-checkout at grocery stores is more complicated than it seems. During the COVID-19 pandemic, the number of these kiosks increased, likely to reduce human contact and boost efficiency. Now, my local grocery store limits self-checkout to 20 items or fewer, while some other stores have completely shut them down. In August, the city of Long Beach, California, went as far as passing an ordinance that requires grocery and drug stores with self-service checkouts to restrict sales to 15 items or fewer and to keep staffing ratios proportional to the number of kiosks in use. While some argue that these rules hinder innovation, others see them as necessary to prevent retail theft and to protect workers.

Which brings us to cars. When driving, I'm supported by a multi-angle rearview camera, steering and braking assistance if the vehicle unexpectedly drifts out of the lane, and a collision warning system. No doubt, these features help keep the vehicle, its driver and passengers safe, preventing many accidents. They may also help keep car insurance costs affordable. But will my teen driver get distracted by these alerts and still develop his own driving skills and judgment? With technology intervening so often, will he become too reliant on it, potentially ignoring instinct and awareness? Striking the right balance between safety and skill-building feels more important — and more complicated — than ever.

As we report on page 6, AI accelerates hiring processes by automating tasks like resume screening and candidate ranking. However, concerns about potential bias persist if algorithms are not properly designed and trained. Employers using AI tools should conduct regular audits and understand what's inside the black box.

Technology is making our lives easier and safer, but it works well only if the systems are carefully designed. That means people have to be involved, too.

Technology, cybersecurity in energy: Balancing innovation with risk mitigation

As the energy sector undergoes a transformative shift toward modernized, secure and sustainable systems, it faces a dual challenge: safeguarding critical infrastructure from cyber threats while using artificial intelligence to improve efficiency and resilience. The integration of AI into energy systems offers unprecedented opportunities to optimize grid management, predict demand fluctuations and prevent cyberattacks.

However, as power grids become more interconnected and digital, they become more vulnerable to cyber threats. Striking a balance between innovation and security is more important than ever.

Transforming systems

The energy sector is increasingly adopting technology to manage the growing complexity of modern power grids. In the past, grids primarily directed energy from centralized power stations. Today, they support multi-directional energy flows from distributed sources such as residential solar panels, wind farms and electric vehicle charging stations. The result is an unprecedented volume of data that utilities must process and analyze in real time.

AI-driven solutions are playing a critical role in addressing energy sector challenges. For grid optimization, AI analyzes vast datasets to anticipate supply and demand fluctuations, enhancing reliability. Google's DeepMind, for instance, has developed a neural network that predicts wind energy output 36 hours ahead, boosting the financial value of wind power by 20%.

In predictive maintenance, companies like European utility E.ON use machine learning to forecast transmission infrastructure failures, cutting outages by up to 30%.

AI also streamlines renewable energy integration by predicting energy production and consumption patterns. ABB's AI-based forecasting tools help commercial buildings avoid peak charges and optimize energy use.

For smart EV charging management, platforms like WeaveGrid's analytics balance the load on EV charging stations, preventing grid overloads and reducing costs for utilities and consumers.

Cloud computing and the Internet of Things are enabling oil and gas companies with better analytic insights, more efficient production, and safer drilling. Edge computing enables real-time data analysis at remote exploration and drilling sites, facilitating faster decision-making. Additionally, AI and machine learning are revolutionizing oil and gas operations by assessing reservoir value, analyzing seismic data for location search and risk assessment, enhancing predictive maintenance, and improving operational efficiency. IoT plays a vital role in this transformation by enabling remote monitoring, real-time data collection, better resource management and leak prevention through sensor-based systems.

This reliance on technology means a cyber event could cause an interruption or disruption that hits profits.

Cybersecurity

The digital transformation of the energy sector also has expanded the attack surface for cybercriminals. Cyberattacks targeting energy infrastructure have surged, with sophisticated hacking groups aiming to disrupt operations and compromise sensitive data.

Several notable cybersecurity incidents have highlighted the vulnerabilities of critical infrastructure, particularly in the energy sector. One of the most prominent was the Colonial Pipeline Ransomware Attack in 2021. This attack forced the largest fuel pipeline in the United States to suspend operations, resulting in widespread fuel shortages and economic disruptions.

Another significant campaign spanned from 2011 to 2018, when Russian state-sponsored hackers launched intrusions into the global energy sector. These hackers infiltrated numerous energy companies, deploying malware to access and steal sensitive data.

In 2017, the TRITON Malware Attack demonstrated the potential for cyberattacks to cause physical harm. Hackers targeted a safety system at a Middle Eastern oil refinery.

These incidents collectively emphasize the growing sophistication of cyberattacks and the need for heightened cybersecurity measures across critical industries.

Regulatory and industry responses

Recognizing the pressing need for process improvements in the energy sector, regulatory agencies and industry leaders are turning to technology to drive meaningful action. For example, the 2024 Federal Energy Regulatory Commission Enforcement Report highlighted compliance deficiencies in key areas such as cost management, rate determination, and cybersecurity vulnerabilities. The report underscored the necessity for stricter regulatory measures to address these gaps.

Meanwhile, the U.S. Department of Energy is taking proactive steps by funding AI-powered cybersecurity initiatives. Projects like voltAIc and PolicyAI are designed to bolster grid resilience and enhance the security of energy systems.

In Europe, the European Union AI Act is being developed to ensure that AI deployment in critical infrastructure follows stringent security and ethical standards.

Bridging the gap

With growing threats and evolving technology, the insurance industry is positioned to transfer and therefore mitigate some of the investment and operational risks that arise from the implementation of new technology.

Energy companies are increasingly seeking coverage in both property and cyber insurance markets to address potential financial losses from cyber incidents.

Several types of insurance coverage have emerged to address the evolving risks. One is physical damage and ensuing business interruption, which protects companies from operational disruptions caused by cyberattacks that result in either physical damage or subsequent financial losses.

Another is for errors or intentional acts, which can cover physical damage or financial losses stemming from criminal or state-sponsored threat actors, as well as from accidental events due to human or operational errors.

Many cyber insurance policies also include incident response and recovery support. This typically provides access to forensic analysis, legal consultations, and public relations support to help organizations manage an ongoing cyber event or deal with its aftermath.

Lastly, with the growing integration of AI across IT and operational technology systems, insurers are now offering cyber-physical overlap coverage, which is designed to address hybrid risks that may arise from a combination of cyber threats and physical damages. Together, these coverage options provide comprehensive protection against the multifaceted nature of modern cyber risks.

The energy insurance market continues to seek to exclude intentional acts of cyber criminals or state-sponsored actors in traditional property insurance policies via various standard endorsements. They range from a full exclusion of cover for any physical damage event arising from cyber through various specified scenarios being afforded coverage depending on the clause applied.

James Chicken is managing director, energy at BMS in London.

Differing products are available outside the all-risks energy marketplace, closing the gap from full exclusion to what was previously a true all-risks coverage that did not exclude cyber explicitly. Each of these options has pros and cons — more or less capacity availability; more or less cover; and better or more competitive pricing being the notable headline levers.

Understanding the difference between the definition of an "act" vs. an "incident" (accidental vs deliberate) is key to ensuring whether business interruption is covered. Clear communication among policyholders, brokers and underwriters is vital. Equally important is for stakeholders to fully understand the coverage and the impact of the various options available. A broker with true sector expertise can be very helpful in navigating this subject.

Underwriters in the energy insurance market see the use of computers as a benefit to enhance operational efficiencies; however, the resultant physical damage is unlikely to be covered unless it is a fortuitous event that leads to the damage.

This ongoing digital transformation presents both challenges and opportunities for the energy sector. AI is proving indispensable in enhancing grid reliability, optimizing energy distribution, and predicting cyber threats. However, as technology adoption grows, so do concerns about cybersecurity vulnerabilities, operational integrity, regulatory compliance and risk management. Staying informed of coverage enhancements as well as fully understanding any impairment in the insurance market is vital.

PRODUCTS & SERVICES

Liberty Mutual introduces cyber product suite

■ Liberty Mutual introduced a global cyber insurance product suite offering first- and third-party cyber coverages along with response services.

Liberty Cyber Resolution offers coverage "designed to address the cyber insurance needs of insureds across all industries and geographies," the insurer said in a statement.

Liberty Tech Resolution provides a blended form with both cyber and technology errors and omissions coverages designed for the technology industry.

Base forms for both products include "coverage for personal losses of select executives resulting from a cyberattack first directed at their company, and affirmative coverage for quantum computing, generative (artificial intelligence) and first-party property damage, where permissible."

Both products offer access to Liberty Mutual's cyber risk engineering team and a vendor network for things such as negotiating with bad actors and speedy data recovery.

Starwind launches marine, energy brand

■ Starwind Specialty Insurance Services said it launched Starwind Marine and Energy, a dedicated brand.

The new brand consolidates JH Blades, Southern Marine and Energy Technical Underwriters (ETU) under the Starwind Marine and Energy brand.

Graham Jenks has been appointed president of Starwind Marine and Energy, with additional leadership appointments to be announced "in the coming months," the company said in late September.

Underwriting manager to target Texas artisan trade contractors

■ New managing general underwriter Hill Country Underwriters launched, offering general liability and inland marine coverage for artisan trade contractors in Texas.

The non-admitted coverage is designed for contractors in specialty construction trades working on residential or commercial projects.

General liability limits of $1 million/$2 million/$2 million are available. Inland marine limits vary, based on the coverage needed and assessed on a per-risk basis.

Hill Country Underwriters, based in Alpharetta, Georgia, is backed by Mission, a technology-focused program administrator. The MGU is led by President David Henry and Vice President Matt McDonald.

TruckerCloud uses data in underwriting, loss control

■ Telematics data firm TruckerCloud said QEO Insurance Group will use TruckerCloud's driving, safety and fleet performance data analytics in its underwriting, loss control and claims management for its commercial auto and transportation lines.

Using TruckerCloud's platform will allow QEO to incorporate real-time telematics and video data; verify VINs against live telematics data, ensuring accurate vehicle identification; use behavioral, usage and safety metrics to inform underwriting; use continuous feedback loops like alerts and safety score analytics to bolster loss control and safety by helping fleets reduce risky behavior before it leads to losses; and speed up claims management.

MGA QEO Group LLC struck a deal in October 2017 with Clear Blue Financial Holdings for QEO to write its commercial automobile insurance program on Clear Blue's insurers, Clear Blue Insurance and Clear Blue Specialty Insurance.

Group captive launches for restaurants, bars

■ CIC Services and the Ragnar Group launched a group captive insurance program for restaurants and bars.

Domiciled in Utah, the group captive applies underwriting guidelines that consider hours of operation, type of alcohol served, entertainment options and management practices to align businesses with similar risk profiles.

The captive is open to bars, pubs, nightclubs and fine-dining restaurants, but adult entertainment venues are excluded. Cash-only businesses, wedding and special event venues or businesses with mechanical riding devices will not be covered.

"The vast majority of restaurants and bars are fundamentally misidentified when it comes to risk," Ragnar Group CEO Andrew R. Reina said in a statement. "By introducing more precise guidelines and what we call 'community underwriting,' we believe this captive offers a fairer, more transparent solution to owners who have grown frustrated with traditional insurance models."

Ryan Specialty forms MGU for complex construction

■ Ryan Specialty announced it has formed Clach Casualty Underwriters, a managing general underwriter offering primary and excess casualty coverage for complex construction and habitational real estate risks.

The MGU provides monoline coverage, including general liability for New York contractors and owners, with primary limits of $10 million/$10 million/$10 million; general liability-only wraps, with primary limits of $10 million; and general liability coverage for habitational real estate with up to $1 million per occurrence and a general aggregate limit of up to $2 million.

Adam Schnell was appointed executive vice president of the MGU. Mr. Schnell was previously executive vice president of specialty casualty at Ryan Specialty Underwriting Managers, its specialty underwriting division.

Clach Casualty will "meet the needs of niche market segments that often face difficulties in securing adequate coverage," Ryan Specialty Underwriting Managers President Eric Quinn said in a statement.

The MGU is part of the Ryan Specialty Underwriting Managers division. Business is distributed exclusively through wholesale brokers.

Vortex parametric snow insurance offered directly

■ Vortex Weather Insurance, dba Vortex Insurance Agency, said its parametric snow insurance can now be purchased directly.

Previously, policies were available only through Vortex's parent company MSI Guaranteed Weather.

Limits are fully customizable for the snow product, according to an email from a spokesperson.

The limits are dependent upon parameters including the length of the risk period; triggering events/parameters and any desired deductibles; the number of properties included in the policy; and the location of the risk and its historical snowfall data.

There is a minimum premium amount of $250. All limits will be considered on a case-by-case basis, according to the email.

Insurance is underwritten by Mitsui Sumitomo Insurance USA and is admitted in all states.

Mosaic launches blended financial/cyber product

■ Mosaic Insurance launched blended financial and cyber coverage for the North American and Bermuda investment sector.

The product brings together financial institution coverage and cyber insurance, which includes first- and third-party coverages, along with tech errors and omissions protection, offering up to $20 million capacity per risk.

Limits can be fully blended, or standalone limits are available on a modular basis.

The offering is aimed at U.S., Canadian and Bermudian investment managers, investment funds, fund of funds, superannuation and pension fund managers and alternative investment managers, including hedge funds.

Financial institutions and cyber are two of seven lines of specialty business at Mosaic. The others are environmental liability, transactional liability, political risk, political violence and professional liability.

CFC introduces sex-abuse coverage

■ CFC said it launched broad sexual abuse and molestation liability coverage in North America.

Safeprotect Misconduct Liability covers organizations for an employee's wrongful act against a third party or for failure to supervise.

CFC has recruited former Tysers executive Lee Abraham as senior SML underwriter to lead the line of business.

Limits of up to $10 million are offered, with a minimum premium of $1,000. Both primary and excess coverage on a non-follow form is available.

CFC has partnered with Praesidium to offer policyholders prevention and crisis response services.

The policy covers the costs of retaining specialist public relations consultants to counter reputational damage and the costs incurred attending court, tribunals, adjudication, mediation or other hearings connected with a claim.

"More businesses are contractually obligated to have cover against these events, yet there has been a real lack of capacity in the insurance industry to deliver solutions that are fit for purpose," Mr. Abraham said in a statement.

CFC can consider a sublimit for assault and battery coverage.

RT Specialty unveils enhanced online platform

■ RT Specialty, the wholesale brokerage division of Ryan Specialty, announced the launch of the refreshed RT Connector online platform.

The enhanced digital marketplace offers real-time, bindable quotes and instant policy issuance across more than 25 insurers in eight lines of business, including general liability, commercial package, property, and excess liability, cyber, workers compensation and truckers.

Other features include smart document upload features for streamlined submissions and reduced keystrokes; integrated digital signature capabilities for faster turnaround and reduced friction; and API capabilities for integration with client platforms and insurer sites.

Aon boosts analytics for catastrophe response

■ Aon said it upgraded its event analytics platform to provide integrated hazard, exposure and loss data via a single interface.

The platform is designed to support insurer catastrophe response before, during and after an event. It includes real-time loss estimates from Aon's Impact Forecasting unit, advanced mapping tools to visualize event footprints and customized reports tailored to client needs.

It also allows insurers to recast historical natural catastrophes such as hurricanes Milton, Ian and Helene to assess how they would affect current portfolios.

DEALS & MOVES

Japanese insurer Sompo in $3.5B deal for Aspen

■ Sompo said it agreed to buy Bermuda-based specialty insurer and reinsurer Aspen Insurance for $3.5 billion in cash.

The deal will add about $4.6 billion in gross written premium to Sompo, the Tokyo-based insurer said.

The deal is expected to close in the first half of 2026.

Lincoln International to buy MarshBerry

■ Investment banking adviser Lincoln International has agreed to buy financial advisory firm MarshBerry.

Terms were not disclosed.

Headquartered in Woodmere, Ohio, MarshBerry has offices in six U.S. cities and three in Europe.

Chicago-based Lincoln International has more than 1,000 employees in over 25 offices in 16 countries.

Howden to buy live events brokerage

■ Howden announced it will acquire Gravitas Insurance Agency, a Los Angeles-based retail brokerage specializing in contingency cover for music, sports and live events.

Terms of the deal were not disclosed.

The deal follows Howden's recent launch of a U.S. retail brokerage operation led by former Marsh executive Mike Parrish and comes as it looks to build a sports, media, entertainment and equine business in the U.S.

Amwins purchases MGA Applied Risk Capital

■ Specialty intermediary Amwins acquired managing general agent Applied Risk Capital.

Terms of the deal were not disclosed.

ARC specializes in credit insurance for banks, funds and institutional investors active in non-investment grade risks in the leveraged finance market. It will join Amwins Underwriting.

Broker Inszone makes three acquisitions

■ Inszone Insurance Services made three acquisitions in a week.

The Sacramento, California-based brokerage acquired Parker-Haskins Insurance of Dodge City, Kansas; Head Insurance of Goldthwaite, Texas; and Arkansas Best Insurance Agency of Hot Springs, Arkansas.

Inszone was founded in 2002.

Datavant agrees to buy medical analysis company

■ Datavant, a health care data platform that serves the workers compensation industry, agreed to acquire DigitalOwl, an AI-driven medical data analysis company based in New York.

Terms of the deal were not disclosed.

The announcement came nearly two months after New York-based Datavant acquired Ontellus, a Houston-based health records retrieval and claims intelligence company.

McGowan buys digital wholesale brokerage

■ The McGowan Cos. acquired digital wholesale insurance brokerage Limit.

Terms of the deal were not disclosed.

Limit has two divisions: Limit Wholesale and Limit AI. Limit Wholesale is a digital wholesale insurance brokerage that specializes in cyber liability and technology errors and omissions.

Amynta Group buying commercial surety broker

■ Amynta Group has agreed to acquire International Sureties, a commercial surety broker based in New Orleans.

Terms of the deal were not disclosed.

The deal is expected to close in the fourth quarter.

Applied Systems buys insurtech

■ Applied Systems acquired Cytora, a London-based insurtech.

Terms of the deal were not disclosed.

Cytora, with more than 100 employees, is a digital risk processing platform for the insurance industry.

"Always bring your best to every room you enter. You never know who's listening, watching or quietly taking note. This industry is smaller than it seems, and your reputation will often reach people before you do. Consistency, professionalism and respect open doors you didn't even know existed."

UP CLOSE

Tony Beal

NEW JOB TITLE: Cincinnati-based US chief distribution officer, Intact Insurance Specialty Solutions

PREVIOUS POSITION: Cincinnati-based head of national partners, Nationwide Insurance

OUTLOOK FOR THE INDUSTRY: The outlook for the specialty insurance industry is both dynamic and promising. As businesses face increasingly complex and evolving risks, the demand for tailored, expert-driven insurance solutions continues to grow. At Intact, we see this as an opportunity to deepen our partnerships with brokers and clients by delivering specialized products and services that truly meet their unique needs.

GOALS FOR YOUR NEW POSITION: With over 20 verticals and a global network spanning more than 150 countries, Intact Specialty is positioned to be a market of choice for brokers and customers alike. Our focus is on providing value through underwriting expertise, risk consulting and dedicated claims services. I believe our success lies in being agile, client-centric and collaborative, working closely with our partners to innovate and grow together. That's the approach I hope to maintain and accelerate with our distribution strategy, and I'm excited about the road ahead.

CHALLENGES FACING THE INDUSTRY: One of the key challenges in broker-insurer relationships today is the need for deeper alignment in a rapidly evolving risk landscape. Brokers are under pressure to deliver more specialized, consultative value to their clients, and they need insurer partners who can move with speed, flexibility, and offer tailored coverage and specialized insight. Meeting those expectations is something we're committed to delivering at Intact. Our goal is to be a market of choice by being a true partner to brokers, helping them grow their business while delivering exceptional outcomes for clients.

FIRST EXPERIENCE: Management liability underwriter — public and private

ADVICE FOR A NEWCOMER: Always bring your best to every room you enter. You never know who's listening, watching or quietly taking note. This industry is smaller than it seems, and your reputation will often reach people before you do. Consistency, professionalism and respect open doors you didn't even know existed.

DREAM JOB: Pro golfer — trust me, that is a dream.

LOOKING FORWARD TO: I am most excited about the opportunity to build stronger connections — both with our distribution partners and the customers we serve. I'm looking forward to expanding our reach in innovative ways, opening opportunities for growth, and ensuring that our content and products are delivered with impact. Most importantly, I'm excited about leading a collaborative team and creating an environment where we can do our best work together.

COLLEGE MAJOR: I earned both my bachelor's and master of business administration degrees at Xavier University. My undergrad was in finance/accounting and my MBA was marketing/finance.

FAVORITE MEAL: Pizza

FAVORITE BOOK: "The Like Switch," by Jack Schafer and Marvin Karlins

HOBBIES: Spending time with my family, traveling and golf.

FAVORITE TV SHOW: "Chicago PD"

ON A SATURDAY AFTERNOON: Golf early and spend the rest of the day with my wife (whatever she wants to do).

SEE MORE ONLINE

Visit *www.businessinsurance.com/ComingsandGoings* for a full list of this month's personnel moves and promotions. Check our website daily for additional postings and sign up for the weekly email. *Business Insurance* would like to report on senior-level changes at commercial insurance companies and service providers. Please send news and photos of recently promoted, hired or appointed senior-level executives to *editorial@businessinsurance.com*.

ON THE MOVE

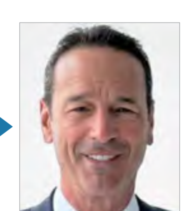
King Risk Partners appointed **Scott Popilek**, formerly a regional leader at Risk Strategies, as its new CEO. Malcolm "Chad" King, founder of the Gainesville, Florida-based brokerage, became chairman and continues to lead its mergers and acquisitions strategy. Mr. Popilek previously was Atlantic Region leader at Risk Strategies, part of Brown & Brown.

Lockton named **Lisa J. Sanders** senior vice president in its Midwest health care and education practice. Previously, Chicago-based Ms. Sanders was a senior vice president at Brown & Brown.

Rising Medical Solutions, a workers compensation services company, named **David Dubrof** its first chief growth officer. Mr. Dubrof most recently was chief sales officer at MyMatrixx, a pharmacy benefit management firm in the workers comp sector.

Vincent P. Foderingham, previously a risk management leader at Amazon and Northrop Grumman, joined Marsh as a managing director and senior client executive. Mr. Foderingham, based in Tampa, Florida, previously was CEO of brokerage Partners Risk Strategies.

Aon promoted **Kate Simons** to U.S. property broking industries leader, a newly created role. Ms. Simons, based in Chicago, was previously managing director, deputy property leader, Western zone. She joined Aon in 2008. She was a 2018 *Business Insurance* Break Out award winner.



London-based brokerage Howden named Miami-based **Mike Parrish** CEO, U.S. retail operations. Previously, Mr. Parrish was a zone leader at Marsh. Several former executives from Marsh and other brokers have joined Howden.

BUSINESS INSURANCE®

BEST PLACES TO WORK 2025

Best Places program lists leading insurance industry firms

Best Places to Work in Insurance is an annual feature presented by *Business Insurance* and Best Companies Group that ranks the agents, brokers, insurers and other providers with the highest levels of employee engagement and satisfaction.

The 2025 report features 100 companies of various sizes, from 25 employees to more than 10,000. What these honorees have in common is a commitment to attracting, developing and retaining great talent through a combination of culture, benefits and other programs that their employees value.

Harrisburg, Pennsylvania-based Best Companies Group identifies the leading employers in the insurance industry by conducting a free two-part assessment of each company. Through an employer questionnaire on policies, practices and demographics and a confidential employee survey, Best Companies Group assembles the data points and analyzes them according to eight core focus areas:

- Leadership and planning
- Corporate culture and communications
- Role satisfaction
- Work environment
- Relationship with supervisor
- Training, development and resources
- Pay and benefits
- Overall engagement

The program divides employers into the categories of small, or those with 25-249 employees; medium, for organizations with 250-999 employees; and large, those with 1,000 or more employees. The 2025 overall winners, by employer size, are:

S **TexCap Insurance**
M **Tokio Marine North America Services**
L **Holmes Murphy**

The following report highlights what makes these and other companies in the insurance industry among the best places to work.

LARGE EMPLOYER CATEGORY (1,000+ U.S. Employees)

Rank	Company	U.S. Employees
1	Holmes Murphy	1,316
2	Philadelphia Insurance Cos.	1,927
3	Lockton Cos.	7,316
4	NFP	5,452
5	Leavitt Group	3,016
6	Hylant	1,066
7	The Baldwin Group	4,198
8	IMA Financial Group	2,516
9	CBIZ Benefits & Insurance	1,631
10	Higginbotham	3,716
11	AF Group	2,181
12	USI Insurance Services	10,430
13	OneDigital	3,216

MEDIUM EMPLOYER CATEGORY (250-999 U.S. Employees)

Rank	Company	U.S. Employees
1	Tokio Marine North America Services	557
2	Scott Insurance	445
3	Brown & Riding	434
4	FCCI Insurance Group	888
5	The Partners Group	282
6	Houchens Insurance Group	403
7	Captive Resources	481
8	Carisk Partners	250
9	Starkweather & Shepley Insurance Brokerage	322
10	Skyward Specialty Insurance Group	588
11	American Integrity Insurance Co.	292
12	Safety National Casualty Corp.	824
13	M3 Insurance	443
14	Origami Risk	858
15	Ascot Group	568
16	Tokio Marine HCC	339
17	Riskonnect	588
18	XPT Specialty	252
19	Tokio Marine America	300
20	Society Insurance	372
21	RCM&D	311
22	Oswald Cos.	493
23	Amerisure	707

SMALL EMPLOYER CATEGORY (25-249 U.S. Employees)

Rank	Company	U.S. Employees	Rank	Company	U.S. Employees
1	TexCap Insurance	41	33	Kinetic	47
2	BIS Benefits	26	34	McConkey Insurance & Benefits	127
3	Davidson & Associates Insurance	27	35	OVD Insurance Agency	134
4	CMR Risk & Insurance Services	59	36	Apex Benefits Group	84
5	GIA Insurance	31	37	Transtar Insurance Brokers	48
6	Obie	127	38	MAXIMUM	91
7	Connor & Gallagher OneSource (CGO)	116	39	The Mahoney Group	247
8	American Global	179	40	Tokio Marine Highland	127
9	ARU	42	41	Berkley North Pacific	58
10	Fee Insurance Group	47	42	SullivanCurtisMonroe Insurance Services	161
11	Conner Insurance	52	43	LP Insurance Services	239
12	Seubert & Associates	115	44	Public Entity Partners	40
13	SRA 831(b) Admin	34	45	Berkley Select	110
14	Gibson Insurance Agency, dba Gibson	183	46	ECBM	108
15	RBN Insurance Services	31	47	Cherry Creek Insurance Agency, dba CCIG	112
16	Coterie Insurance	145	48	Associated Agencies	192
17	Rockford Mutual Insurance Co.	92	49	CompScience	53
18	C3 Risk & Insurance	112	50	Synapse Services	93
19	Plastridge Insurance	97	51	Physicians Insurance, a Mutual Co.	96
20	Rue Insurance	69	52	WWW Insurance	147
21	Rathbone Group	107	53	FBMC Benefits Management	104
22	The Jacobson Group	62	54	Rich & Cartmill	135
23	BerkleyNet	92	55	Blue Star Claims	74
24	Insureon	150	56	VIP Administration Services	63
25	Virtus	109	57	Celina Insurance Group	200
26	Christensen Group	230	58	Berkley Southwest	89
27	Arden Insurance Services	40	59	Key Risk Management, a Berkley Co.	142
28	BKCW	59	60	Acclamation Insurance Management Service	159
29	Korotkin Insurance Group	72	61	Berkley Alliance Managers	80
30	Chalmers Insurance Group	97	62	CLARA Analytics	53
31	NCAComp	103	63	Acadia Insurance	240
32	White & Associates Insurance	96	64	Counterpart	60

BUSINESS INSURANCE® BEST PLACES TO WORK 2025

Large employer (1,000+ employees)

Holmes Murphy

Winner **Holmes Murphy** is an independent, privately held insurance brokerage based in Waukee, Iowa that provides risk management and benefits consulting. Holmes Murphy's motto is "Caring for your unique potential is our sole purpose," and they embody this by empowering their 1,300+ employees to forge their own paths. Employees value the culture of caring, "dress for your day" rules of attire, shareholder opportunities and the company's responsible time off program.

Runner-up **Philadelphia Insurance Companies (PHLY)** is a property/casualty and professional liability insurer based in Bala Cynwyd, Pennsylvania. PHLY is committed to employee professional development, an open-door policy and positive work/life balance. Its 1,900+ U.S. employees value hybrid and remote work options, volunteering paid time off and a holistic wellbeing program for them and their families.

Holmes Murphy's Cedar Rapids, Iowa, team helped revitalize the city during their Day of Caring.

The world's largest privately held insurance brokerage, **Lockton Companies**, took third. Based in Kansas City, Missouri, Lockton's 7000+ employees particularly value the firm's generous family leave policy, volunteering paid time off and its fun, people-centric culture.

1 Holmes Murphy

2 Philadelphia Insurance Companies

3 Lockton Companies

Medium employer (250-999 employees)

Tokio Marine North America Services

Winner **Tokio Marine North America Services (TMNAS)** is the shared professional services company to Tokio Marine North America. Headquartered in Bala Cynwyd, Pennsylvania, TMNAS provides a range of services that include legal, actuarial, IT, finance and human resources. Its 500+ employees enjoy the company's Random Coffee Pairs Program, a diverse range of Employee Resource Groups and volunteering paid time off.

Runner-up **Scott Insurance** is an independent, employee-owned insurance agency founded in Lynchburg, Virginia, in 1864. The firm's 400+ employees especially value hybrid work options and early close summer days, a robust Employee Rewards Program and Owner Appreciation Day.

Brown & Riding, a Dallas-based independent wholesale brokerage internally owned by its producers and executive leadership, took third. Its 400+ employees particularly value extensive benefits offerings, flexible schedules, professional development opportunities and casual dress days.

TMNAS employees enjoyed participating in a Dragon Boat event on the Schuylkill River.

1 Tokio Marine North America Services

2 Scott Insurance

3 Brown & Riding

Small employer (25-249 employees)

TexCap Insurance

Winner **TexCap Insurance** is an independent commercial insurance agency with tailored solutions for small businesses, middle-market companies and niche industries. Based in Dallas, Texas, TexCap's collaborative, transparent culture empowers employees to thrive. They especially value flexible and remote work options, frequent social events and the inclusion of family members in work-related functions.

Runner-up **BIS Benefits** is a group health and business insurance brokerage based in Roswell, Georgia. The firm fosters a people-first culture through team building activities, a personal growth speaker series, team volunteering and friendly competitions. Employees value unlimited PTO, remote work flexibility and an annual wellness stipend.

Placing third was **Davidson & Associates Insurance**, an independent brokerage that provides personal, commercial, life and benefits solutions primarily in the Pacific Northwest. Headquartered in Vancouver, Washington, the family-owned organization prioritizes local community support and positive work/life balance. Employees appreciate unlimited PTO, generous family leave policies and flexible remote work options.

TexCap Insurance team bonding event.

1 TexCap Insurance

2 BIS Benefits

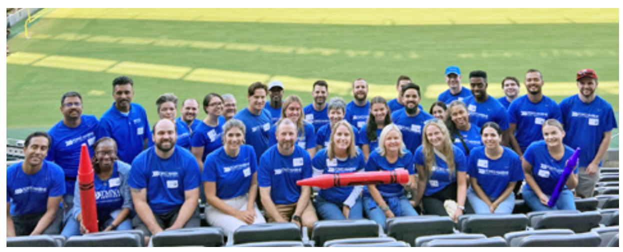
3 Davidson & Associates Insurance

Insurers/Providers

Tokio Marine North America Services

In addition to winning the Medium Employer Best Place to Work, shared services company Tokio Marine North America Services (TMNAS) also took first in the Insurers/Providers category. Established in 2012 and based in Bala Cynwyd, Pennsylvania, TMNAS is a member of the Tokio Marine Group. Guided by the motto, "Customer service is our focus and teamwork is our strategy," TMNAS offers flextime, telecommuting, an on-site gym, generous family leave and a variety of fun and engaging team events.

TMNAS employees participated in the Walk to End Alzheimer's.



TMNAS employees volunteer for Cradles to Crayons Backpack-a-Thon at Lincoln Financial Field in Philadelphia.

BEST PLACES TO WORK IN INSURANCE 2025: INSURERS/PROVIDERS

Rank	Company	U.S. Employees
1	Tokio Marine North America Services	557
2	FCCI Insurance Group	888
3	Rockford Mutual Insurance Co.	92
4	BerkleyNet	92
5	Philadelphia Insurance Cos.	1,927
6	Skyward Specialty Insurance Group	588
7	American Integrity Insurance Co.	292
8	Safety National Casualty Corp.	824
9	Ascot Group	568
10	OVD Insurance Agency	134
11	Tokio Marine HCC	339
12	Tokio Marine Highland	127
13	Berkley North Pacific	58
14	Berkley Select	110
15	Tokio Marine America	300
16	Society Insurance	372
17	Physicians Insurance, a Mutual Co.	96
18	VIP Administration Services	63
19	Celina Insurance Group	200
20	Berkley Southwest	89
21	Key Risk Management, a Berkley Co.	142
22	Berkley Alliance Managers	80
23	AF Group	2,181
24	Amerisure	707
25	Acadia Insurance	240

Agents/Brokers

BEST PLACES TO WORK IN INSURANCE 2025: AGENTS/BROKERS

Rank	Company	U.S. Employees	Rank	Company	U.S. Employees
1	TexCap Insurance	41	33	White & Associates Insurance	96
2	BIS Benefits	26	34	M3 Insurance	443
3	Davidson & Associates Insurance	27	35	Kinetic	47
4	Holmes Murphy	1,316	36	McConkey Insurance & Benefits	127
5	Scott Insurance	445	37	Apex Benefits Group	84
6	CMR Risk & Insurance Services	59	38	Transtar Insurance Brokers	48
7	GIA Insurance	31	39	MAXIMUM	91
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9	Obie	127	41	NFP	5,452
10	Connor & Gallagher OneSource (CGO)	116	42	Leavitt Group	3,016
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29	BKCW	59	61	USI Insurance Services	10,430
30	Korotkin Insurance Group	72	62	OneDigital	3,216
31	Lockton Cos.	7,316	63	Counterpart	60
32	Chalmers Insurance Group	97			

TexCap Insurance

Winner of Agents/Brokers, Dallas-based TexCap Insurance also took first in the Small Employer Best Place to Work category. This small business, middle-market and niche industry commercial insurance agency is built on relationships, service and smart risk management. Where "people come before policies," the firm's employees are supported with mentorship, flexibility, leadership accessibility and sustainable work/life balance. Entering its 20th year in business, TexCap is led by forward-thinking professionals and fueled by a culture of integrity, responsiveness and operational excellence.

TexCap Insurance's annual Halloween Party.

TexCap Insurance team bonding event.

BUSINESS INSURANCE®

BEST PLACES TO WORK 2025

Talent for tomorrow: How to engage the next wave of talent

As the insurance industry gears up to lose up to 50% of its workforce over the next decade, many firms will be impacted by the more than 400,000 open positions that retiring employees will leave behind.[1]

The incoming Millennial and Gen Z workforces place an extremely high value on work/life balance. They seek out supportive workplace cultures with mentorship and professional development opportunities to facilitate their growth.[2]

Organizations that are proactive and strategic about their culture, benefits, scheduling and value-added services will be best positioned to attract the top talent from the next generation and beyond.

In line with the values of younger generations, almost every top employer in this year's Best Places to Work offers flexible hybrid and remote scheduling options and generous time off and family leave policies. Winning companies also focus on employee wellbeing, foster a people-first culture and offer variety of professional development programs.

The best insurance employers share more commonalities across eight core areas when compared to those that did not make this year's list:

Leadership and planning. For top firms in 2025, an average of 90% of surveyed employees responded positively about their understanding of the company's strategy, their confidence in leadership and that leaders are open and care about their well-being, compared to 81% for companies that failed to make the list.

Corporate culture and communications. Components of this area include clear and frequent communication, trust, a spirit of cooperation, a feeling that employees are valued and a culture of diversity. Positive responses averaged 88% for top companies, and 79% for others.

Role satisfaction. For top companies, employees averaged 90% of positive responses related to their workplace autonomy, ability to balance work and life and feeling valued, compared to 83% for firms that did not make the list.

Work environment. Positive responses about physical working conditions, comfort and safety averaged 94% for top employers and 89% for others.

Relationship with supervisor. For top employers, employees averaged 93% positive responses related to their supervisors' perceived fairness, respect, trust and openness to feedback, compared to 90% for employers that did not make this year's list.

Training, development and resources. Initial and ongoing training, adequate and dependable equipment, room to advance and rewards for good work averaged 86% positive for top employers vs. 76% for others.

Pay and benefits. For top organizations, employees averaged 85% positive responses for fair compensation and satisfaction with benefits such as paid vacation and sick leave, health insurance and retirement plans, compared to 75% for firms that did not make the list.

Overall engagement. Job satisfaction, a sense of purpose and feeling proud of their company averaged 91% positive responses from top employers and 84% for others.

[1]U.S. Chamber of Commerce "The America Works Report: Industry Perspectives," June 1, 2021.
[2]Deloitte "2025 Gen Z and Millennial Survey," 2025.

Philadelphia Insurance Companies supports employees at an IronMan Triathalon.

More than 250 Holmes Murphy leaders volunteered over 280 hours to 11 organizations in one day.

At a BIS Benefits Holiday Party, employees were gifted bobbleheads that looked like them.

Scott Insurance's Lynchburg, VA team participated in a Habitat for Humanity workday.

A Lockton Companies employee is recognized for her passion and dedication.

HOW TO GET INTO BPTW

To participate in the Best Places to Work program, an organization must:

- **Be a for-profit or non-profit business**
- **Be publicly or privately held**
- **Have a facility in the United States**
- **Employ at least 25 people in the United States**
- **Be in business for at least 1 year**

Eligible insurance organizations are: retail agents/brokers, wholesale brokers/managing general agents, reinsurance intermediaries, claims services companies, benefit brokers and consultants, property/casualty insurers, group life/health insurers, and reinsurers. Non-profit insurance associations or service organizations aligned with the commercial insurance industry also are eligible.

For more information and to participate in the 2026 program, please contact Susan Stilwill at 312-636-7222 or sstilwill@businessinsurance.com, or visit www.bestplacestoworkins.com.

VIEW THIS YEAR'S FULL LISTING AT
BusinessInsurance.com/BPTW2025

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BUSINESS INSURANCE WOMEN TO WATCH 2023 Elizabeth Kramer HONOREE

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‘Blue laws’ can’t be ignored: Suit

The American dream of being able to buy what one wants when one wants seems to be running afoul of antiquated American laws that in some jurisdictions prohibit shopping on Sundays.

At least in Rutherford, New Jersey, where a shopping mall conglomerate comprising several massive shopping centers and three local malls — all closed on Sundays — is suing the new “American Dream” mall over its staying open that day.

Paramus, the plaintiff in the lawsuit reported by the Associated Press, argues that local law has “long prohibited the sale of nonessential items such as clothing, appliances and furniture on Sundays.”

In turn, American Dream said the blue laws don’t apply to the complex because it sits on state-owned property.

Fake sick days en vogue in France

The white-collar fraud du jour, in France, at least? Sick leave abuse.

As revealed in a Reuters story that reads like the beginning of a mystery novel, “Fabrice Lehmann caught sight of his target as he left his suburban Paris home, dressed for work. He began tailing him.”

Mr. Lehmann, a private detective since 1994, told the newswire he is increasingly “tracking white-collar employees … suspected of abusing their sick leave.” Others say business is “booming.”

According to the article, experts in France say sick leave fraud has been rising alongside a 60% increase since 2012 in sick leave, which now costs over 10 billion euros a year.

France’s National Health Insurer told Reuters it prevented 42 million euros worth of sick leave fraud last year, more than double the 2023 total.

ADVICE COLUMNIST DIAGNOSES PROBLEM WITH SICK WORKERS

A worker recently sought advice from popular syndicated newspaper columnist “Dear Abby” over an employer’s return-to-office mandate that is making people sick. Literally.

“Sick of Sick Coworkers” wrote of the employer’s four-day-a-week office mandate, “(w)hile it’s nice to have the in-person camaraderie, co-workers who are conspicuously ill are now coming in and spreading their contagion. My company provides a generous two weeks of ‘occasional absence,’ which may be used for sick days, doctors’ appointments and such. I am now sick at home.”

The worker goes on to say her “co-workers are not heroes for coming in to work with their germs, but selfish and inconsiderate.”

“Nobody objects!” to people coming in sick, the worker exclaimed. “I feel I should say something to our office manager. What do you suggest?” she asked “Dear Abby.” The answer: “Dear Sick, Speak to the office manager and suggest that a memo be sent out stating that if someone is feeling unwell, they should wear a mask or stay home until their symptoms subside. Many businesses do it.”

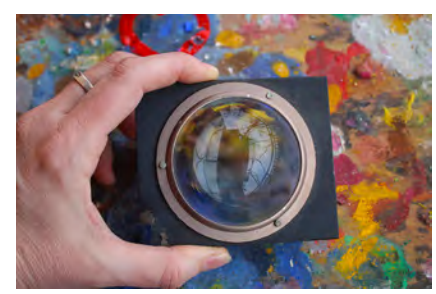
Do weight-loss drugs hit profits?

Users of GLP-1 drugs aren’t the only ones losing.

It appears profits might be dropping at food companies and restaurants as a result of the widespread use of such weight-loss medications, which aim to reduce appetite.

A survey of 1,200 GLP-1 users by Sunlight, which markets the products, found that the drugs are changing consumer spending. On average, users reported spending $218 a month less on food and diet, a 30% reduction. Their grocery bills are down 20% on average; costs for eating out are down 31%; and they’re spending 42% less on fast food and snacks.

Factoring in the out-of-pocket costs for the drugs, that’s a net savings of $42 month, according to the survey.



Judge paints over man’s art claim

One man’s art is another man’s insurance claim.

Or not, as a New York judge ruled against an insurance claim filed by a billionaire whose home in the Hamptons on Long Island caught fire but left the five pieces in question undamaged to the naked eye.

As explained in The New York Times, Ronald Perelman saw five pieces in his collection — including two by Andy Warhol — damaged by such factors as humidity, soot and smoke. The insurer argued that the situation amounts to “a portrait of a contrived claim” generated by a man in dire need of money, the Times reported.

In ruling for the insurer, a New York State Supreme Court judge in Manhattan said he saw nothing to prevent “the artworks from being enjoyed” and that “there was no visible damage to the five paintings. … Nothing traceable to the fire.”

PUBLISHER'S PAGE

BUSINESS INSURANCE

Steve Acunto, Publisher

Publisher's Page is an occasional update from *Business Insurance* publisher, Steve Acunto, a longtime professional in the world of insurance and insurance media and, today, the chairman of Beacon International Group, the family-owned enterprise that publishes *Business Insurance* (US), *Asia Insurance Review* (Singapore), *Commercial Risk* (London), *Insurance Trade* (Milan), *Medical Liability Monitor* (US), *Middle East Insurance Review* (Dubai), *WorkCompCentral* (US), and the oldest American insurance publication, *Insurance Advocate*.

ALL IN was launched with great success in October as more than 250 people met in Chicago for our first recruitment event, bringing people into the insurance business directly and with no special reference other than our encouragement. Kudos to the the **Business Insurance Foundation's Executive Director, Debbie Hamilton, and the Business Insurance team** that made it work, notably **Susan Stilwill**, **Julie Ford** and **Brittany Collins**.

The idea here is quite simple: promote the industry to all comers interested in risk and all the opportunities it imports. Be sure that considerations of fairness and hiring are observed, while emphasizing merit and opportunity with no borders or boundaries.

We were delighted to see the enthusiasm of inner-city students and applicants for work in the sector; and the support and dedication of many major insurance companies who were there to interview those interested in entering the industry. A special note of thanks is owed to **Teresa Chan, Director of Professional Studies in Insurance Management at Columbia University and to Hank Watkins, President of St. John's University School of Insurance** for their participation and enthusiasm. We are planning our next recruitment efforts representing the best in the insurance business to its sorely needed jobseekers.

Business Insurance Foundation has rolled all of its former formats encouraging of minorities and women into a much broader effort that intends to motivate high school students and college students to consider risk transfer, risk management and risk financing fields. We are finding that there is precious little in the way of education available to them institutionally, so we are undertaking to address this by offering standardized, basic curriculum in risk in applicable formats, possibly aligned with math, business or career opportunity classes. It is a job that must be done and we are delighted that so many insurers and other sponsors are "**ALL IN**" with us. The photos tell a good story.

Margaret Milkent, global insurance practice leader, Diversified Search Group (left); Debbie Hamilton, vice president, managing director, Business Insurance Foundation; and Krishna Lynch, vice president and chief risk officer, Zurich N.A.

Debbie Hamilton, vice president, managing director, Business Insurance Foundation (left); Brittany Collins, director of conferences and events for *Business Insurance*; and Mindi Zissman, president of Zissman Media, our keynote speaker who also freelances *Business Insurance*.

Jerald Tillman receiving the 2025 Herndon Award. To his right are Lee Vuu (2024 Herndon Award recipient) and Trish Payne, vice president of Atlanta Life. To his left are Courtney Johnson, vice president of Atlanta Life; and Rebekah Ratliff (2023 Herndon Award recipient).

allinsurance
Engaging talent for risk-focused businesses

WHILE THAT WAS HAPPENING, in Coeur d'Alene Idaho, *Business Insurance* hosted the **Summit for Insurance Excellence** an event that brought together regulators, industry leaders, and professionals from across the insurance field to advance education and engagement in the industry. More than 60 participants from both government and the private sector attended this fact-finding, fundraising, and fun-filled event in the beautiful lakeside setting of **Coeur d'Alene**. Principal among the sponsors were leading industry brands and service providers whose commitment goes beyond profit; their participation reflects a genuine interest in strengthening the profession and supporting the next generation of insurance talent.

A highlight of the Summit was the unique golf tournament that paired regulators from around the nation with representatives from carriers, brokerages, and institutions. Plans are already underway for a series of similar events that will feature golf outings, pleasant or otherwise, depending on one's skill, with the top teams advancing to compete in the **Applied Underwriters Invitational Finals**, the nation's largest golf event of its kind and, fittingly, the title sponsor of the Summit.

Plans are being set for more of such events which do involve a golf outing — pleasantly or unpleasantly depending upon your acumen.

In all, it was a beautiful event for a great cause that inspired all participants to repeat it for the sake of raising funds for scholarships and educational programs and for the cultivation of the **Center for Excellence in Insurance**. *Business Insurance* is proud to be a founding partner in the effort and, again, to be "**ALL IN.**"

AHEAD, ONE OF THE MORE INTERESTING EVENTS UPCOMING is the **Insurance Federation of New York's Annual Free Enterprise Award Luncheon**; the top recognition will go this year the chair of **Malta's financial authority, Jesmond Gatt**. While the association has honored regulators before for encouraging free enterprise, this year's recipient has done a great deal in the European Union to bring insurance into the 21st century on a number of levels.

Should be interesting. See you there. — **SA**