CONSTRUCTION: Insurers wary of unproven green building materials - PAGE 4

BUSINESS INSURANCE®

www.businessinsurance.com

JUNE 2022

SPECIAL REPORTS

PUBLIC ENTITY RISK MANAGEMENT

PAGE 32

WORKERS COMP UPDATE

PAGE 38

INSURANCE SECTOR'S TOP TALENT

INTERVIEWS WITH AWARD WINNING YOUNG LEADERS

PAGE 14

BUSINESS INSURANCE BREAK OUT AWARDS

COVER STORY

Business Insurance profiles the winners of the 2022 Break Out Awards, which honor potential future leaders in the U.S. insurance industry. The 40 honorees from across the country represent some of the most promising individuals working in insurance and risk management. **PAGE 14**

INSIDE

SPECIAL REPORT: RISK MANAGEMENT

The law enforcement liability market remains challenged, and many experts say it is unlikely to dramatically change any time soon. Elsewhere in the public entity sector, some local governments are seeing double-digit property insurance hikes. **PAGE 32**

SPECIAL REPORT: WORKERS COMPENSATION

Using mobile apps and web-based portals, injured workers can access a suite of services from insurers and third-party administrators that typically includes communications with adjusters and physicians and benefit payment tracking. **PAGE 38**

NEWS ANALYSIS

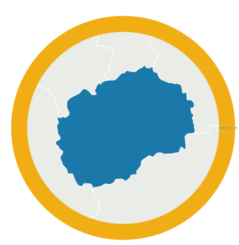
FOR BREAKING NEWS COVERAGE, VISIT ***businessinsurance.com***

SUSTAINABLE BUILDING CHALLENGES

Demand for sustainable building materials is rising, but some insurers are wary of the risks. **PAGE 4**

SUPPLY CHAIN EXPOSURES

Strategies to mitigate supply chain disruptions can create additional exposures for companies. **PAGE 10**



INTERNATIONAL

North Macedonia's commercial insurance market faces many challenges, including low penetration and lack of a domestic reinsurance market. **PAGE 11**

PERSPECTIVES

Jamie Mackay of Willis Towers Watson PLC examines the future of loss reserving. **PAGE 43**

LEGAL BRIEFS

Recent court opinions **PAGE 12**

OPINIONS

Public entity risk challenges; realities of virtual work **PAGE 42**

MARKET PULSE

Products, deals and more **PAGE 44**

PEOPLE

Insurance industry moves **PAGE 45**

OFF BEAT

An insurance salesman in Texas found himself staring down NHL sharpshooters with a real game on the line. **PAGE 46**

VIEW FROM THE TOP

JOHN O'DONNELL

John O'Donnell joined Pinnacol Assurance as CEO in February, taking the helm of the largest workers compensation insurer in Colorado after previously working for Allstate Corp. The former Marine Corps pilot discusses his transition into workers compensation and the future of the business. **PAGE 13**

BUSINESS INSURANCE (ISSN 0007-6864) Vol. 56, No. 7, Copyright © 2022 by Business Insurance Holdings, Inc. is published monthly by Business Insurance Holdings, Inc., 1030 Lake Avenue, Greenwich, CT 06831. Accounting, business, circulation and editorial offices: PO Box 1010, Greenwich, CT 06836. Email businessinsurance@omeda.com to subscribe or for customer service. Periodicals postage is paid at Greenwich, CT. Printed in the USA. **POSTMASTER:** Send address changes to Business Insurance, PO Box 260, Lincolnshire, IL 60669.

NEWS ANALYSIS

Insurers cautious on green materials

BY CLAIRE WILKINSON
cwilkinson@businessinsurance.com


Reuters

The Ascent, a 284-foot, 25-story apartment building under construction in Milwaukee is described as the tallest mass timber structure in the world.

Demand for sustainable building is increasing as efforts to cut carbon emissions accelerate and alternative materials are being used more frequently in construction in response to the supply chain crisis.

However, some insurers remain wary of the risks, especially if products and techniques are untested in the field, experts say.

A growing number of buildings are pursuing sustainable certifications, such as LEED and WELL and other resiliency standards, said Cheri Hanes, Dallas-based assistant vice president, risk engineering team leader, at Axa XL, a unit of Axa SA.

"A natural outfall of that is our construction clients are being called upon to build with materials they haven't built with before and it's a pretty steep learning curve," Ms. Hanes said.

Green roofs, low-VOC (volatile organic compound) paints and adhesives, and solar energy on roofs or at project sites are becoming more widely used, as are green building materials such as mass timber, a class of engineered building materials fabricated from layers of wood pressed together, often with a strong adhesive under great pressure.

> "My hope is that we can get insurers comfortable enough at some point in the near future to price [mass timber] much the same way as they would type 1 concrete and steel."
>
> Michelle Luster, Swinerton Inc.

Mass timber structures are being considered both for their sustainability benefits and as an alternative material because of the difficulty getting steel amid supply chain constraints, Ms. Hanes said.

Hundreds of mass timber projects are under construction, and even more are in design and development in the U.S., said Patrick McBride, Dallas-based head of construction property at Zurich North America.

"You see it in higher education, in administration buildings or student housing. We also see it in residential projects and in specific infrastructure projects like basketball arenas and some airport terminals," Mr. McBride said.

Fortune 100 and 500 companies have started to construct office buildings with mass timber given the focus on sustainability and aesthetics for workers, said Kelly Kinzer, head of construction for U.S. national accounts at Zurich North America.

Zurich last year launched a mass timber builders risk coverage offering up to $50 million in capacity in response to demand from its policyholders. "We were hearing that there was not enough available capacity in the marketplace for mass timber," Ms. Kinzer said.

In addition to its sustainability, mass timber is faster to construct, and because the panels are prefabricated offsite it can shorten project timelines and result in a more controlled risk environment at the job site, said Michelle Luster, corporate risk manager at Swinerton Inc., a general contractor based in San Francisco.

Initially insurers priced coverage for mass timber projects like light wood frame because there was no loss history for the product in the U.S. Now it is priced somewhere between light wood frame and steel and concrete construction, Ms. Luster said.

"My hope is that we can get insurers comfortable enough at some point in the near future to price it much the same way as they would type 1 concrete and steel," she said.

It's a matter of figuring out where mass timber fits from the rating perspective between frame and reinforced concrete, said Gary Kaplan, Chicago-based president of construction at Axa XL. "There hasn't been so much mass timber construction that we have tons of data to know if we're right or wrong," he said.

Cyber was the same way, Mr. Kaplan said. "We drew a line in the sand and then we watched the results over time and adjusted the premium to get rate," he said.

In certain cases, sustainable materials such as mass timber are unproven, in terms of "the composition and strength of materials, durability and how they maintain structural integrity over time," said Doug Akerson, New York-based executive vice president and head of Munich Re Facultative & Corporate North America Engineering & Energy.

It can take some time to prove that the materials perform better under various exposures such as fire and water, said David Dow, executive vice president, property broker, at Amwins Group Inc., based in Truckee, California.

Manufacturers' research suggests fire ratings for mass timber should be higher than for stick frame projects because it takes longer to burn, said Nick Cavaness, San Francisco-based senior property broker, at Risk Placement Services, Arthur J. Gallagher & Co.'s wholesale unit. But there hasn't been a fire loss where insurers have been able to confirm that in the field, he said.

Mass timber, if engineered correctly, is incredibly sustainable, but the challenge is doing it right, said Christopher Smith, Shelton, Connecticut-based senior vice president of construction at NFP Corp.

Mr. Smith cited the example of exterior insulation finished system, a replacement for stucco that was used back in the 1990s that, if installed incorrectly, led to problems with water intrusion. "With mass timber you need to have a builder and engineer who know what they're doing to get the benefits," Mr. Smith said.

From the risk management standpoint there is a learning curve, said Yvonne Castillo, director of risk management at Victor Insurance Managers Inc. in Bethesda, Maryland.

"We don't have the test of time with these new innovative materials to say, 'Yes, it performs great, in 10 years we're not going to have any structural issues,'" Ms. Castillo said.

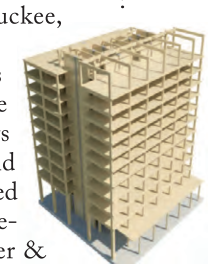
BUILDERS SPELL OUT BENEFITS OF MASS TIMBER

Builders and developers need to have robust communication with their insurers, show detailed information and help educate them on sustainable materials like mass timber, experts say.

Clear communication about a project can help underwriters get more comfortable in providing coverage for these risks, they say.

It has been challenging at times for construction companies to persuade insurers and brokers that mass timber is different from light-gauge wood frame, said Michelle Luster, corporate risk manager at Swinerton Inc., a general contractor based in San Francisco.

"A lot of 2020, when many of us were working full time remotely, we spent on calls trying to educate our business partners on why this material performed much like steel and concrete when it came to fire and water," Ms. Luster said.



Proactive developers or builders raise issues ahead of time and show insurers the planning and research they have done, which in turn helps inform insurers, said Gary Kaplan, Chicago-based president of construction at Axa XL, a unit of Axa SA.

Formalizing and communicating their plan to use such materials ensures that everybody involved in the project is aligned, Mr. Kaplan said.

Mass timber projects have to be much more integrated from the design component to the architect standpoint, to the owner/developer, contractors and subcontractors, said Patrick McBride, Dallas-based head of construction property at Zurich North America.

"The material and structure is manufactured somewhere else and then it's shipped to the site to be erected, so that integration and coordination is critical to achieve some of the efficiencies that are expected," Mr. McBride said.

Claire Wilkinson

Causation questions limit COVID comp claims

BY LOUISE ESOLA
lesola@businessinsurance.com

Many COVID-19-related workers compensation claims are denied, according to recent data that shows a third to half are deemed to not involve workplace contraction of the virus.

Often workers don't press the claims after the initial denial and experts say questions over compensability have kept claim counts and costs low.

"The trend is that most employers are denying claims because of the questionable causation of developing it at work," said Rich Lenkov, capital member and head of the workers compensation practice at Bryce Downey & Lenkov LLC in Chicago. "You can catch it everywhere, and most of the claims I am seeing you are getting the causation question."

While there is no centralized database of COVID-19 claims, some states such as Florida and Texas have been releasing regular reports on claims activity.

Several large workers comp insurers declined to comment on claims activity. In recent months negative publicity over workers allegedly contracting COVID-19 at work and not being compensated for their illness has been commonplace.

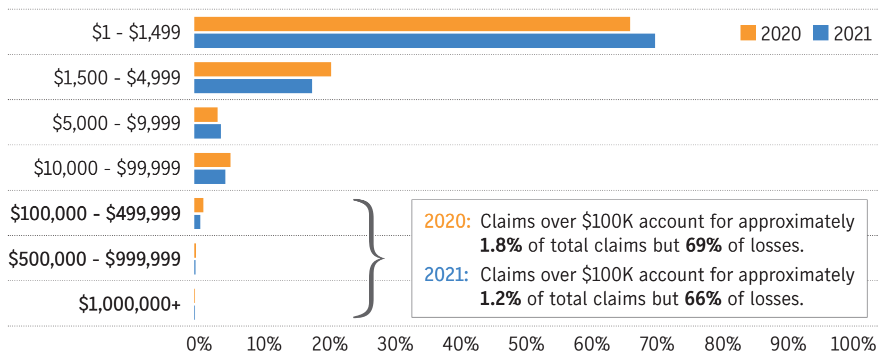
The Florida Division of Workers' Compensation's most recent data, from April, shows that 35,430 COVID-19 claims have been denied since 2020. There were 34,797 claims accepted in 2020 and 30,564 in 2021.

In March, the Texas Department of Workers' Compensation reported that insurers denied 45% of COVID-19 positive test claims. Despite more than 18,000 denials of claims with positive tests or diagnoses, there were only 166 disputes filed with the DWC as of Feb. 6.

"It is true that COVID claims are being denied at a higher percentage than non-COVID claims," said Matt Zender,

COVID-19 CLAIMS BY SIZE OF LOSS

PRIVATE CARRIERS AND STATE FUNDS



Source: NCCI Holdings Inc.

Las Vegas-based senior vice president of workers compensation strategy for AmTrust Financial Services Inc., who pointed to data from the California Workers' Compensation Institute.

The CWCI found a COVID-19 denial rate of 37%, compared with a non-COVID-19 denial rate of 12%. Of the COVID-19 claims denied: 58% were denied for medical reasons, which include a negative test or no test, and 32% of the denials were non-industrial, "meaning that they were not exposed at work or the employee withdrew their claim," Mr. Zender said. The remaining claims were denied due to reporting errors, "which usually meant that the employee was not an employee of the policyholder," he said.

The difficulty of proving contraction at work is one of the reasons behind the opposition to COVID-19 presumption orders and laws, which require employers to assume that the disease was caught at work, unless proven otherwise. Still, many states allowed for presumptions, though in some cases only for those working in such industries as health care and public safety.

The National Council on Compensation Insurance reported that COVID-19 claims weren't as bad for comp insurers and employers as many had anticipated. An analysis of data from 45 jurisdictions in conjunction with several state ratings agencies found an average cost of $7,800 per COVID-19 claim. Indemnity, or income-replacement, claims accounted for 41% of reported COVID-19 claims — meaning such claims were mild and did not require medical intervention.

Without the COVID-19 claim denial figures, would the picture be different for the comp industry? It's likely, according to Katie Williamson, director of data science at NCCI. In a presentation at NCCI's Annual Insights Symposium in May she went over data of what a pandemic looks like in terms of a surge in infections in the United States. For workers, the issue that could keep comp claims at bay is "adjusting for compensability," she said. How do you prove — or disprove, as employers in presumption states are tasked with — contraction at work?

"The easiest way to go is to make a denial," said John Novella, a partner in the workers compensation practice in the Princeton, New Jersey, office of Goldberg Segalla LLP.

According to Mr. Novella, employers and their insurers in states such as New Jersey have limited time to either deny or accept a claim.

"If you have a case where it's a car accident, it's clear you are going to accept (the claim). But with occupational illness like COVID exposure … we don't have all the facts so we can't recommend the client accept the case without all the facts," he said. From there, if the denial is appealed "there are a lot of avenues to explore for investigating," he said.

"Obviously, we have to get medical records, family doctor records; those would have information on a history of the claimant," Mr. Novella said. "The doctor might know that a family member got COVID, or they were at a restaurant.

"You are also looking at prior medical history, history of (chronic obstructive pulmonary disease), smoking, asthma. Those are all types of illnesses that could cause symptoms as opposed to COVID."

Social media searches regarding social events attended by a claimant or whether the worker has children in school could be another avenue to dispute workplace infection, he added.

Yet such investigations aren't common, and most denials are not appealed, according to experts.

Jonathan Barrish, Chicago-based partner with Litchfield Cavo LLP, said only two claims made it to litigation in Illinois, which is a presumption state. In both cases, arbitrators ruled in favor of the claimants, despite a judge ruling in one that the employer successfully rebutted the presumption, he said.

Even without a presumption in place employers are "going to take the cases where it is obvious and deny the rest," Mr. Barrish said. In workplaces such as health care settings, workplace spread of COVID-19 makes sense, while in others it might not, he said.

"If there is no evidence that anyone in the work environment has COVID that's an easy one to deny," he said.

MORE EMPLOYER VACCINE MANDATES IN PLACE, BUT FEWER IMPLEMENT POLICIES

Presumption laws could be at the heart of why some employers are maintaining COVID-19 vaccine mandates, yet trends show the move to require vaccinations is waning in the wake of federal measures being struck down.

While employers increasingly implemented COVID-19 vaccine mandates or testing requirements in the past year, only a small percentage that don't have such policies say they plan to make them mandatory, according to a March survey of 1,275 in-house lawyers, C-suite executives and human resources professionals conducted by the employment law firm Littler Mendelson PC.

Overall, 41% of those surveyed said they have vaccine policies in place, compared with 21% in the 2021 survey. Only 1% plan to implement mandatory vaccine or testing policies, and 2% say they are unsure.

Even as the percentage of employers putting policies in place nearly doubled since the last survey in August 2021, the largest share of respondents in the latest survey — 56% — said they will not implement mandates or testing unless required by law.

The increase in the number of employers putting policies in place is surprising given federal mandates were struck down by the Supreme Court, said Devjani Mishra, New York-based shareholder with Littler Mendelson.

"There were people who were down the path," she said, setting up their policies in anticipation of the embattled Occupational Safety and Health Administration requirements.

"Those things stalled out, but those companies went ahead," Ms. Mishra said of employers that continued with mandate plans.

The uptick in employer mandates might also stem from careful risk management, said Jeffrey Adelson, general counsel at Adelson McLean APC in Newport Beach, California.

In many states, if someone is determined to have contracted COVID-19 at work, "it is presumed to be a workers comp claim," Mr. Adelson said. "You have presumptions of compensability in various states."

Michael Bradford

SPAC rules could reassure D&O insurers, dampen investor enthusiasm for vehicles

BY JUDY GREENWALD
jgreenwald@businessinsurance.com

Proposed U.S. Securities and Exchange Commission disclosure rules for special purpose acquisition companies may deter some SPAC-related transactions but leave directors and officers liability insurers feeling more comfortable offering coverage for the risks, even as demand for the transactions has significantly slowed.

SPACs, also called blank check companies, are publicly traded shell companies formed to raise capital to acquire private companies, which they usually have two years to do after their initial public offering.

A deSPAC transaction occurs when a private company merges with a SPAC. In the next step, the merged entity operates as a public company.

The transactions are often seen as less costly alternatives to traditional IPOs, though some critics say they can also be used to circumvent regulatory scrutiny.

The growth of SPACs last year was explosive, with 613 formations completed. But there has been a significant slowdown in SPAC and de-SPAC activity this year, in part because of the anticipated regulations but also because of factors including stock market volatility and over issuance.

> "I would anticipate that the deSPAC space may see more scrutiny as it relates to private company targets."
>
> Andrew Pendergast,
> NFP Corp.

A major participant, investment banker Goldman Sachs, said in a statement, "We are reducing our involvement in the SPAC business in response to the changed regulatory environment."

However, there are still hundreds of SPACs seeking a target company, observers say.

The 372-page SEC proposal published in late March would require additional disclosures and remove SPACs' liability safe harbor under the Private Securities Litigation Reform Act of 1995 for forward-looking statements, a benefit that has not been available to traditional IPOs.

The proposed rules would require additional disclosures about SPAC sponsors, conflicts of interest, sources of dilution and additional information about business combination transactions between SPACs and private operating companies.

Most observers say they do not expect the final rules, comments on which were due by the end of May, to differ much from the proposal.

"It's unlikely to go through exactly as is," but the SEC "may not be easily swayed" to make major changes, said Larry Fine, New York-based management liability coverage leader for Willis Towers Watson PLC.

The proposed rules "do add significant disclosures and transaction complexity for SPACs and could discourage prospective SPAC sponsors, and it could throw some cold water on any deSPAC transactions," said Kevin LaCroix, executive vice president in Beachwood, Ohio, for RT ProExec, a division of R-T Specialty LLC.

"They're really just trying to level the playing field," with traditional IPOs, said Pam Greene, Boston-based partner, head of North America corporate governance and ESG consulting, at Aon PLC.

"I would anticipate that the deSPAC space may see more scrutiny as it relates to private company targets," which would be required to be co-registrants under the proposed changes, said Andrew Pendergast, New York-based managing director and SPAC practice leader for NFP Corp.

Eric Senatore, New York-based executive vice president for Sompo International, which has been active in the market, said the rules create additional hurdles, including increased time and costs, and a greater risk of liability. "The original IPO may become the only way a company can become public," he said.

Removing the safe harbor provision would "strongly discourage private companies from going the deSPAC route vs. going the traditional IPO route," said Derek Lakin, New York-based senior vice president and national SPAC practice co-leader for Lockton Cos. LLC. It will "take away one of the main advantages of doing the SPAC," he said.

However, strong proposed transactions will still be able to move forward, said Machua Millett, Boston-based SPAC leader at Marsh LLC.

Many believe the rules may encourage D&O underwriters to write coverage for SPAC-related businesses.

Tim Fletcher, Los Angeles-based CEO of Aon PLC's financial services group in the U.S., said that over the long term, "you're going to see better deals come to market," which will "give insurers comfort in terms of deploying capital" into the segment.

If insurers see that the rules have a positive effect on the quality and level of disclosure in the deals, they may be more comfortable underwriting SPACs, said Anton Lavrenko, New York-based regional head, financial institutions and private equity North America, with Allianz Global Corporate & Specialty SE.

There may be other implications as well.

Andrew Doherty, New York-based national executive and professional risk solutions practice leader for USI Insurance Services LLC, said more disclosures may result in increased errors and omissions liability for investment bankers.

"That's always been a difficult line of coverage," he said.

Henry P. Van Dyck, a partner with Faegre, Drinker, Biddle & Reath LLP in Washington and a former financial crime prosecutor with the Justice Department who often worked in parallel with the SEC, said the proposal portends "likely increased future enforcement actions."

The rules will create additional materials upon which to base lawsuits, said Yelena Dunaevsky, vice president, transactional insurance, at Woodruff Sawyer & Co. in New York. "Litigation has been fairly brutal over the last few months" and will continue "depending on how the rules play out," she said.

SEC'S PROPOSED SPAC REGULATIONS

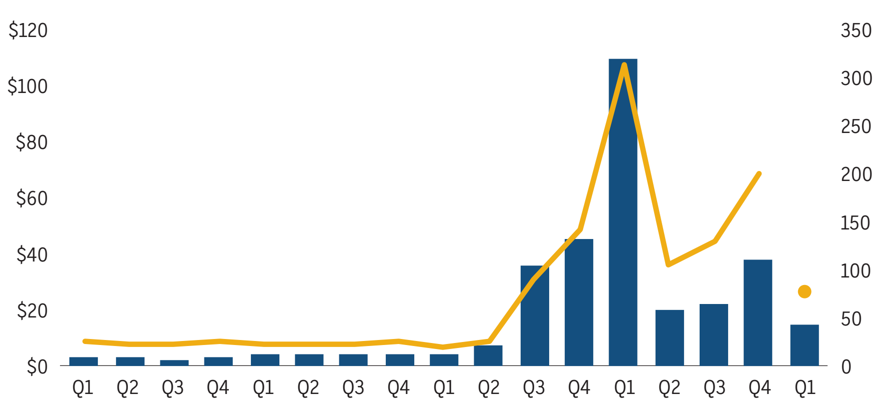
Major provisions of the U.S. Securities and Exchange Commission's proposed rules and amendments on special purpose acquisition companies would:

- Enhance disclosures and provide additional investor protections in SPAC initial public offerings and in de-SPAC transactions.
- Address the treatment of business combination transactions involving a reporting shell company and amend the financial statement requirements applicable to transactions involving shell companies.
- Provide additional guidance on the use of projections in SEC filings to address concerns about their reliability.
- Assist SPACs in assessing when they may be subject to regulation under the Investment Company Act of 1940.

Source: U.S. Securities and Exchange Commission

SPAC IPO ACTIVITY

■ Aggregate post value ($B) ■ Deal count



Source: PitchBook

*As of March 15, 2022


WE'RE MADE
FOR THIS
HE'S MADE FOR THIS WORK
WE'RE MADE FOR
WORKERS' COMP
LUBA
WORKERS' COMP
A CASUALTY INSURANCE COMPANY
For over 30 years, the experts at LUBA Workers' Comp have been providing workers' compensation insurance and genuine dependability to hardworking business experts like you. That way, you can focus on what's most important, your business.
Discover the LUBA Difference at LUBAwc.com/madeforthis
888.884.5822 • Rated A- Excellent by
BEST

Tech-driven opportunities accelerate

BY MATTHEW LERNER
mlerner@businessinsurance.com

Technology investment in the insurance sector continued at a record pace last year, with two recent reports showing insurtech funding breaking records.

While there were signs of slowing in the first quarter of 2022, experts say interest in the sector remains buoyant (see related story).

Investment interest in insurtech comes from the venture capital sector, hedge funds and private equity capital, as well as established property/casualty insurers, or "incumbents."

"You can certainly say for 2021 there remains continued interest in insurtech," said Emmalyn Shaw, managing partner with Flourish Ventures, a venture capital firm with interests including insurtech and data and analytics, in San Francisco.

"Opportunities for innovation in the insurance sector will continue to attract venture capital," said David Hoffman, Westfield, New Jersey-based vice president and research director at Forrester Research Inc.

"We've been predicting the pace of investment would continue due to the opportunities to transform the industry. The disruptive technologies in the industry continue to attract interest from investors," Mr. Hoffman said.

Incumbent insurers' interest in insurtech helps mark out the sector from other technology investments, said Ms. Shaw.

"The composition of investors specifically for insurtech is slightly different than technology at large because of the number of incumbents that are actively involved and looking strategically at insurtech. They're an important contributor to the funding," Ms. Shaw said.

Andrew Johnston, Nashville, Tennessee-based global head of insurtech at Gallagher Re, a unit of Arthur J. Gallagher & Co., said that the incumbent community is supporting the technology and looking to integrate it into their business through partnerships.

"We're seeing traditional players acquire startups. They see the opportunity to accelerate their own technology initiatives, both customer-facing or more mundane, like cloud-based rating, quoting, and issuance technologies" Mr. Hoffman said.

"There's a greater openness from the incumbents to open up new technologies," said Parker Beauchamp, founder and managing partner in Boulder, Colorado of Markd VC LLC a new venture capital firm focused on insurtech that recently launched a $100 million investment fund. Consumers are also open to technology, he said.

Insurtech investing reached $19.8 billion in 2021, up 176% from the prior year, according to a recent report from Forrester, with a fourth-quarter funding record of $4.3 billion.

A report from Gallagher Re shows insurtech funding at a record $15.8 billion in 2021, more than the combined $13.4 billion in 2020 and 2019, with more than half of total funding, some $9.4 billion, invested in property/casualty insurtechs.

Differing methodologies account for the differences but both reports show massive increases in capital flowing to the sector.

In addition to incumbent insurers, funding is coming from a variety of sources, including traditional venture capital firms as well as hedge funds and private equity money, which are "coming into venture and playing an active role in insurtech as well," according to Ms. Shaw.

Through the end of 2021, more than 1,200 non-industry investors were participating in the insurtech sector, Mr. Johnston said.

Technologies being funded and acquired range from customer-facing innovations to back-office tools and automation. Mr. Johnston said the most successful will be "those with ubiquitous solutions that can be sold multiple times to multiple carriers."

Tampa, Florida-based insurtech Coherent Capital Advisors Ltd. in late April announced it had secured $75 million in a Series B early-stage funding round, bringing its total funding to $89 million.

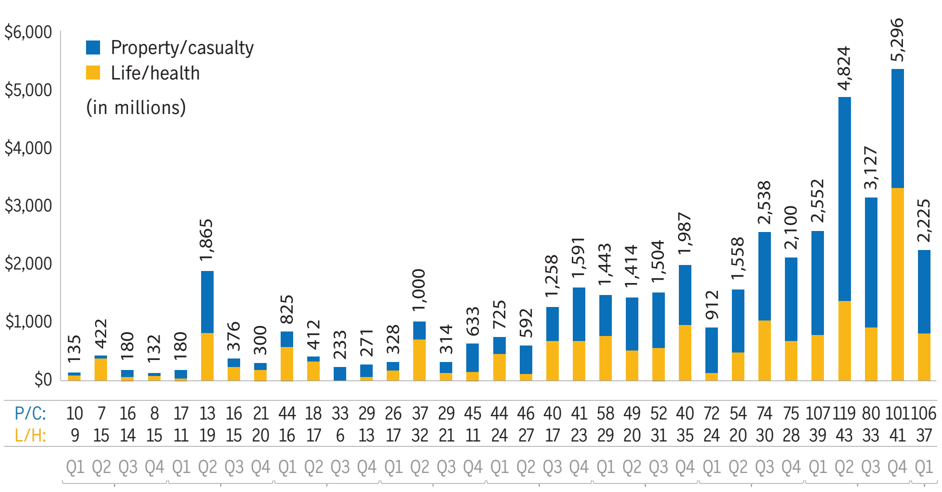
Coherent supplies web-based software that can convert spreadsheets into code so data may be shared and used quickly between parties.

"We're acting as a translator between the business and the Excel files to help speed processes," said John Brisco, CEO and co-founder of Coherent. The information in the spreadsheet is placed into an application programming interface, he said.

Mr. Brisco is a property/casualty veteran, having served as chief information officer and chief operating officer for Asia and Latin America for Australian insurer QBE Insurance Group Ltd.

"The space is evolving from a human capital standpoint as well," said Mr. Beauchamp, who is also a veteran of the insurance business, mainly in distribution, he said. "There's more people like me," providing both avenues for capital and access to startup founders, as well as more and more industry veterans gravitating toward the space seeking opportunity, he said.

QUARTERLY INSURTECH FUNDING VOLUME — ALL STAGES



Source: Gallagher Re

Q1 INSURTECH FUNDING SLOWS AFTER RECORD HIGH

The first quarter of 2022 showed a substantial decline in the level of investment in the insurtech sector on a quarterly basis, although the decline was less dramatic when viewed year over year.

A recent insurtech report from Gallagher Re, a unit of Arthur J. Gallagher & Co., shows first-quarter 2022 funding at $2.23 billion, a steep drop from $5.3 billion in the fourth quarter of last year, but the decline was less pronounced when compared with $2.55 billion in the first quarter of 2021.

It is unclear whether the increase in the inflation rate and volatility in the stock market will affect future funding levels.

"As you look forward a bit, you are seeing that there is a slowdown," said Emmalyn Shaw, managing partner with Flourish Ventures, a San Francisco-based venture capital firm with interests including insurtech and data and analytics. She cautioned, however, against drawing conclusions from a single quarter and added that investors cyclically optimize and alter investment portfolios.

Andrew Johnston, Nashville, Tennessee-based global head of insurtech at Gallagher Re, said he encourages observers against reading too much into one quarter and that it's "more about looking for trends."

"I'm not too caught up in a low quarter or a high quarter. ... There's up and down quarters, but when I look at insurtech funding on average there's more," said Parker Beauchamp, founder and managing partner in Boulder, Colorado, of Markd VC LLC, a new venture capital firm focused on insurtech.

Mr. Beauchamp said he is confident about the prospects for the sector and doesn't fear a slowdown. He added that inflation, even when combined with geopolitical instability and other macro factors, is not likely to slow investment over the long term.

Matthew Lerner

Supply chain problems continue past COVID

BY CLAIRE WILKINSON
cwilkinson@businessinsurance.com

Companies working to rectify supply chain issues that began during the COVID-19 pandemic face continuing challenges as problems have been amplified by recent events, including slowdowns at West Coast ports related to labor negotiations, the Shanghai pandemic shutdown, and the Russia-Ukraine war.

Last month, Boeing Co. said production and deliveries of its 737 MAX aircraft were hit by shortages of a wiring connector; baby formula was in short supply across the United States due to pandemic-related supply chain issues and a recent recall; and the auto industry continues to be hampered by a semiconductor shortage.

Strategies to mitigate supply chain disruptions can help but may change the risk profile of a company's operations, creating additional exposures, experts say.

Some shipping companies are looking to address delays by expanding their capabilities so they can offer trucks, warehouses and rail cars in addition to ocean shipping, said John Frazee, a managing director in the U.S. marine practice at Marsh LLC, who is based in Los Angeles.

> "Russia and Ukraine are both key suppliers of grain, so there are a lot of grain exports coming from these countries that are now disrupted."
>
> Rahul Khanna,
> Allianz Global Corporate & Specialty SE

This approach may help them better control their supply chain by not relying on a third party, Mr. Frazee said. "The downside is that's a big expense, and only bigger companies can afford to do that," he said.

Shipping companies are also exploring alternative routes or ports. "On paper that sounds like problem solved, but if you don't own the vessel, you don't tell the vessel where to go," and finding ports that can discharge and transport cargo without delay remains challenging, Mr. Frazee said.

Using different routes to move products may also raise insurance concerns. "Are they covered by the risk transfer programs that companies have?" Mr. Frazee said. Accumulation risks and over-limit shipments are added concerns, he said.

Strategies such as holding extra inventory or sourcing alternate suppliers create resilience in a company's operations and are good risk management, said David Shillingford, Salisbury, Connecticut-based chief strategy officer at Everstream Analytics, a supply chain risk analytics company.

They may have unintended consequences and increase risks, however. "The counterargument is that you increase your surface area and there are more things to go wrong," Mr. Shillingford said.

Companies should look to find the right balance, he said. "It's all about assembling the data and doing the analytics to work out where you need to be redundant and where it's not so important," he said.

The Russia-Ukraine war has exacerbated ongoing supply chain issues and risks, said Rahul Khanna, London-based global head of marine risk consulting at Allianz Global Corporate & Specialty SE, a unit of Allianz.

"Russia and Ukraine are both key suppliers of grain, so there are a lot of grain exports coming from these countries that are now disrupted," Mr. Khanna said. Vessels operating in the Black Sea, a major trading region, have been severely disrupted, he said.

Crews may also be stuck on ships, creating logistics problems if they can't return home or others can't rejoin vessels, Mr. Khanna said. Over 10% of the world's 1.9 million seafarers come from Russia and 4% from Ukraine, AGCS said in a report released last month.

Inflation is compounding supply chain risks. "The cost of shipping one container from China to the U.S. a few years ago used to be $2,000 to $4,000 and is now $10,000 to $15,000 per container, which pushes up costs for everything," Mr. Khanna said.

Higher freight rates and a shortage of container ship capacity are tempting some operators to use non-container vessels to transport containers, which raises questions around stability, firefighting capabilities and securing cargo, AGCS said in its Safety and Shipping Review 2022 report.

Local events, such as the Russia-Ukraine war and the latest port slowdown in Shanghai, are causing a global impact that is effectively "rewiring the way trade flows," said Suki Basi, managing director of London-based Russell Group, a data and analytics company.

For example, efforts are being made by some countries to secure alternative gas supplies from Africa and South America in response to the Russia-Ukraine conflict. "New relationships are evolving all the time," as countries look to trade with partners in "more secure parts of the world," Mr. Basi said.

The latest Shanghai COVID-19 lockdown has created severe delays at the port, delivering a $28 billion hit to global trade, with clothing and textile industries having the most exposure, according to an analysis by Russell Group.

Any further supply chain shocks will continue to push up prices and slow down economic recovery in Western economies, but real-time data can help insurers, reinsurers, companies and policymakers understand and manage their risks, Russell Group said in its analysis.

2012-2021 CASUALTIES/INCIDENTS

All casualties/incidents including total losses. Vessels over 100GT only.
Jan. 1, 2012, to Dec. 31, 2021.

TOP 10 REGIONS	Loss
East Mediterranean and Black Sea	4,763
British Isles, North Sea, English Channel and Bay of Biscay	4,612
South China, Indochina, Indonesia and Philippines	2,574
Baltic	1,483
Great Lakes	1,463
Japan, Korea and North China	1,324
Iceland and Northern Norway	1,106
West Mediterranean	1,073
North American West Coast	1,057
West African Coast	923
Other	6,329
Total	**26,707**

2021 CASUALTIES/INCIDENTS

All casualties/incidents including total losses. Vessels over 100GT only.
Jan. 1, 2021, to Dec. 31, 2021.

TOP 10 REGIONS	Loss	Annual change
British Isles, North Sea, English Channel and Bay of Biscay	668	↑ 94
East Mediterranean and Black Sea	539	↑ 113
South China, Indochina, Indonesia and Philippines	276	↑ 13
West Mediterranean	176	↑ 71
North American West Coast	138	↑ 1
Baltic	124	↑ 10
Great Lakes	122	↓ 58
Iceland and Northern Norway	105	↓ 3
Japan, Korea and North China	104	↑ 11
Newfoundland	87	↑ 4
Other	661	
Total	**3,000**	**↑ 305**

Source: Lloyd's List Intelligence Casualty Statistics; Allianz Global Corporate & Specialty

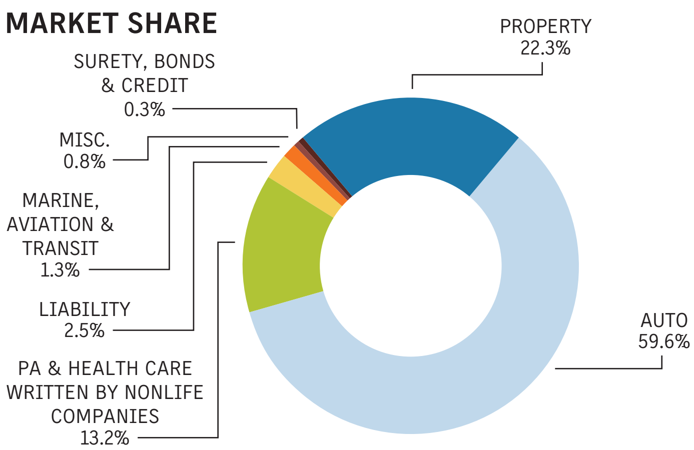
PROFILE: NORTH MACEDONIA

116

GLOBAL P/C MARKET RANKING

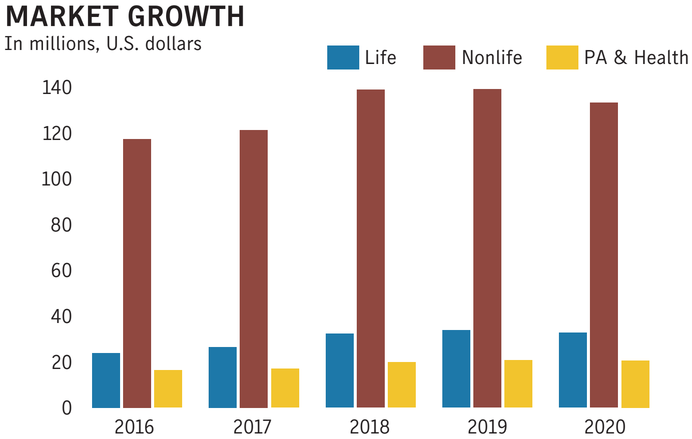
The property/casualty insurance market in North Macedonia is characterized by low penetration, significant foreign ownership, the lack of a domestic reinsurance market and some exposure to earthquake, all set against a background of political uncertainty. When this report was being prepared there were 11 companies in the country's market, a large number relative to its size. Growth has remained below 10% over the past 13 years, and in 2020 the market recorded negative growth for the first time since 2003, although loss ratios stabilized at a level below 50% over the same period. Market sources indicated in late 2021 that most lines of business had been subjected to increased reinsurance costs, in some cases exceeding 10%, reflecting the hardening reinsurance market generally rather than the characteristics of the local primary market.

MARKET SHARE

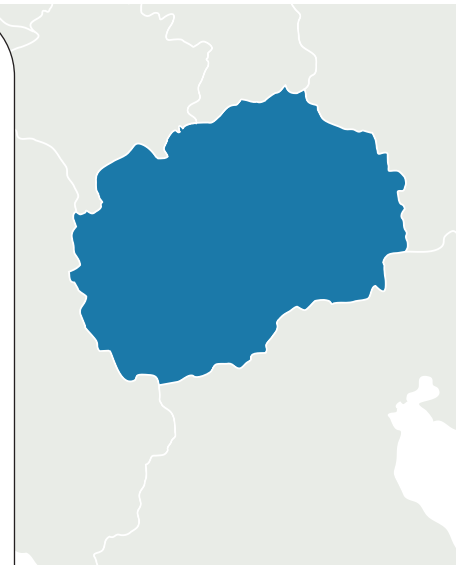


MARKET GROWTH

In millions, U.S. dollars



Source: Axco Global Statistics/Industry Associations and Regulatory Bodies



AREA

9,928

square miles

POPULATION

2.13

million

MARKET CONCENTRATION

56.86%

market share of top five insurers

2022 GDP CHANGE (PROJECTED)

3.2%

MARKET DEVELOPMENTS

Updated April 2022

- The nonlife market, including personal accident and health, decreased by 4.9% in 2020, compared with the 6% growth recorded in 2019.
- The COVID-19 pandemic disrupted supply chains and reduced household consumption, sending the economy into a sharp recession and interrupting growth momentum.
- Bulgaria has maintained a veto on North Macedonia's EU accession talks citing outstanding historical and linguistic disputes. In January 2022, following the formation of a new government in Bulgaria, bilateral negotiations began to resolve the dispute.
- Following the completion in late 2017 of a joint project between the European Union and North Macedonia aimed at bringing the country's insurance legislation more in line with the EU's Solvency II regulatory regime, it was hoped that a draft of the proposed new insurance law would be presented to the parliament by the end of 2019. The delay of the 2020 parliamentary elections due to the pandemic and other political priorities have meant that progress has almost ground to a halt, although periodic discussions with the Ministry of Finance and the EU continue.
- Auto third-party liability remains by far the largest single class of business, despite the economic effects of the pandemic causing it to fall to some 50% of the nonlife market, having previously stood at over 60%.

COMPULSORY INSURANCE

- Auto third-party liability
- Workers compensation (state scheme)
- Professional liability for insurance brokers, accountants, notaries, auditors, lawyers, liquidators, private detectives, travel agencies, land surveyors, health workers, bodyguards and bailiffs
- Personal accident for fare-paying passengers on public transport
- Aviation third-party liability
- Railway third-party liability

NONADMITTED

Nonadmitted insurance is not permitted in North Macedonia because the law provides that insurance must be purchased from locally authorized insurers. As an exception to this rule, insurance brokers are allowed to deal with nonadmitted insurers and reinsurers abroad if the insurance in question is not available in the market.

INTERMEDIARIES

Local intermediaries are required to be locally authorized to do insurance business. They are allowed to place business only with admitted insurers, though the law allows them to act as intermediaries in making contracts with foreign companies if insurance or reinsurance against the risk in question cannot be arranged in North Macedonia.

MARKET PRACTICE

It is believed that a number of foreign-invested risks are handled by international brokers based in Greece, Serbia or Bulgaria that are not licensed in North Macedonia. Some foreign-invested risks are also said to be placed directly abroad.

Information provided by Axco.
For free trial access to global insurance intelligence, visit axcoinfo.com.

AIG trademark suit goes back to court

A federal appeals court reversed a lower court ruling in favor of American International Group Inc. in a decades-old trademark dispute with a small, similarly named insurance agency.

Maryland Heights, Missouri-based A.I.G. Agency Inc. allegedly began calling itself "AIG" around 1958, while American International Group was incorporated in 1967 and first began using the "AIG" trademark sometime between 1968 and 1970, according to the ruling by the 8th U.S. Circuit Court of Appeals in St. Louis in *A.I.G. Agency, Inc. v. American International Group, Inc., doing business as AIG*.

AIG obtained a federal trademark registration for "AIG" in 1981 that is still active, according to the ruling.

AIG began communicating with A.I.G. in 1995, notifying it of its trademark registration and demanding it stop using "AIG" because "it was likely to confuse consumers."

A.I.G.'s attorney responded it had the right to use the name in Missouri and Illinois because it had been doing so in those states before AIG registered its trademark.

A.I.G. sued AIG in 2017, charging trademark infringement and unfair competition and violation of the Lanham Act, the federal statute that governs trademarks, service marks and unfair competition.

The U.S. District Court in St. Louis granted AIG summary judgment in the case and was overturned by a unanimous three-judge appeals court panel.

In overturning the lower court, the panel cited a legal doctrine that bars trademark infringement claims when there has been an unreasonable delay in making them.

The district court failed to conduct a meaningful analysis of when AIG's alleged infringement became actionable, the ruling said. "The district court did not announce any test on which it relied for determining when a likelihood of confusion rose" as to the similarity in names it said.

"It also did not meaningfully analyze the strength of (AIG's) mark at the relevant times, whether (A.I.G.) intended to confuse the public, the degree of care expected of potential customers, or the evidence of actual confusion," the panel said, in overturning the ruling and returning the case to the district court.

Google agrees to pay $100M in BIPA case

Google LLC has agreed to pay $100 million to settle class-action litigation filed under the Illinois Biometric Information Privacy Act in which it was charged with using its photo app to collect the biometrics of thousands of people without providing notice or obtaining their permission.

The lawsuit, *Lindabeth River and Joseph Weiss v. Google Inc.*, was first filed in U.S. District Court in Chicago in 2016 and was eventually heard by both state and federal courts, including the 7th U.S. Circuit Court of Appeals in Chicago.

The settlement agreement, which must receive final court approval, was filed in Cook County Court in Chicago on April 14.

The class of claimants includes all Illinois residents who appeared in photos in Google Photos between May 1, 2015, and the settlement's preliminary approval, according to the settlement agreement.

Google said in a statement, "We're pleased to resolve this matter relating to specific laws in Illinois, and we remain committed to building easy-to-use controls for our users."

Supreme Court rules against ADA plaintiff

Private plaintiffs cannot be reimbursed for emotional distress damages under the 1973 Rehabilitation Act and the Patient Protection and Affordable Care Act, the U.S. Supreme Court ruled.

Jane Cummings, who is deaf and legally blind and communicates primarily through American Sign Language, sought physical therapy services from Keller, Texas-based Premier Rehab Keller P.L.L.C., according to the 6-3 ruling by the U.S. Supreme Court in *Jane Cummings v. Premier Rehab Keller P.L.L.C.* All six conservative justices voted against the plaintiff.

Ms. Cummings asked Premier Rehab to provide an ASL interpreter at her appointments, but it refused, telling her she could communicate with the therapist using written notes, lip reading or gesturing, the ruling said.

Ms. Cummings obtained care from another provider, then filed suit against Premier Rehab alleging discrimination on the basis of disability in violation of the Rehabilitation Act and the Affordable Care Act, statutes Premier Rehab is subject to because it receives reimbursement through Medicare and Medicaid.

The U.S. District Court in Fort Worth, Texas, dismissed the complaint, stating "the only compensable injuries that Cummings alleged Premier caused were 'humiliation, frustration, and emotional distress'" and damages for emotional harm are not recoverable under either law. The decision was affirmed by the 5th U.S. Circuit Court of Appeals in New Orleans.

"Although it is 'beyond dispute that private individuals may sue to enforce' the antidiscrimination statutes we consider here, 'it is less clear what remedies are available in such a suit,'" the majority Supreme Court opinion said, citing its 2002 ruling in *Barnes v. Gorman*.

The Supreme Court held in that ruling that government entities cannot, under most circumstances, be forced to pay punitive damages in cases involving the Americans with Disabilities Act.

The court ruled that under *Barnes* it "cannot treat federal funding recipients as having consented to be subject to damages for emotional distress."

Company, managers indicted in explosion

A federal grand jury has indicted the operator and six managers of a Cambria, Wisconsin, corn mill where a May 2017 explosion killed five workers and injured 15 others.

Didion Milling Inc. and the six managers were charged with nine criminal counts, including two counts related to willful violations of federal workplace safety standards for grain handling, the Department of Labor announced.

The indictments, handed down by a grand jury in the U.S. District Court in Madison, Wisconsin on May 11, included counts of "document falsification in contemplation of a U.S. Department of Labor, Occupational Safety and Health Administration investigation and obstructing the federal OSHA investigation," according to a DOL statement. The company and the six officials were also charged with making false entries in a cleaning logbook.

Didion Milling was also charged with willfully violating two federal safety standards in the Occupational Safety and Health Act for allegedly failing to develop and implement a written program to effectively prevent and remove combustible grain dust accumulations and for allegedly not installing venting or suppression on a dust filter collector to prevent an explosion.

Two former Didion Milling shift superintendents pleaded guilty earlier to making false entries in the company's cleaning logbook and in the baghouse log, which involved matters within the purview of OSHA and the Environmental Protection Agency, respectively.

DOCKET

INJUNCTION AFFIRMED IN NONCOMPETE CASE

A federal appeals court affirmed a preliminary injunction enforcing a noncompete agreement in a lawsuit filed by USI Insurance Services LLC against a former employee who left to join Alliant Insurance Services Inc. Michael Aitkin and USI allegedly entered into a binding employment agreement in April 2018 in which Mr. Aitkin agreed to refrain from competing with USI during his employment and to provide 60 days' notice of his resignation, according to court papers in *Michael Aitkin v. USI Insurance Services LLC et al.*

GAS COMPANY WINS ENVIRONMENTAL CASE

A jury in state court in New York ruled in favor of Brooklyn Union Gas Co. in two-decades-old environmental remediation litigation against Chubb Ltd. unit Century Indemnity Co. related to the Gowanus Canal in Brooklyn. The final amount to be awarded the utility as a result of the verdict in *Century Indemnity Co. v. Brooklyn Union Gas Co. et al.* is yet to be determined by the trial court, the Supreme Court of New York.

AIG UNIT PREVAILS IN COVID LITIGATION

The 9th U.S. Circuit Court of Appeals in San Francisco ruled in favor of an American International Group Inc. unit and affirmed a lower court ruling that an event and venue management business is not entitled to COVID-19-related business interruption coverage, citing the plaintiff's virus exclusion. The lawsuit was filed by Palmdale Estates Inc., which operates the Casa Bella Event Center in Sunol, California, against AIG unit Blackboard Insurance Co., according to court papers in *Palmdale Estates Inc. v. Blackboard Insurance Co.* The decision affirmed a ruling by the U.S. District Court in San Francisco.

John O´Donnell

PINNACOL ASSURANCE

John O'Donnell joined Pinnacol Assurance as CEO in February, bringing several decades of leadership experience to his new role leading the largest workers compensation insurer in Colorado. He was most recently an executive vice president at Allstate Corp., where he served as president, Western territory, and board chair of Allstate Canada. He previously worked at GMAC Insurance Group, now known as National General Insurance; Walt Disney Co.; and Goldman Sachs Group Inc. He says his leadership journey began as a United States Naval Academy graduate who spent several years in the Marine Corps as a pilot. Mr. O'Donnell, who is based in Denver, spoke with *Business Insurance* Assistant Editor Louise Esola about his transition into workers compensation and the future of the business. Edited excerpts follow.

Q What are some of the challenges facing the insurance industry right now, particularly the workers compensation sector?

A A lot of this comes down to how customers' needs are evolving; one is just the digital transformation that we're seeing across many industries. Everyone expects it to be easy and to be able to access things on demand when it's most convenient for them. And, unfortunately, our industry probably lags a little behind some of the other industries. I'd say banking is one that has gotten it right, and that's something that we're working on, to make it easy, quick, and less friction for our customers. For workers comp, what will continue to be a challenge going forward is addressing some of the comorbidities outside of the illness or the injury that's part of the claim. Some of those, as an example, would be depression or other mental health issues. And we find that people who have these issues, especially when they're not referred to an expert in that area, take longer to return to work, and it's just more of an arduous process for them to get through the physical injury.

Q As your background is not in workers compensation, are there aspects of the segment that drew you in?

A I worked for a couple of other insurance companies before, and I was able to connect to the mission. And, of course, having a background in the military, that's been important for me in the roles that I've looked for afterwards. The mission in insurance is to protect people and then help them, in some cases, with one of the most challenging experiences that they'll go through in their lives, whether it's helping them when their house burns down, in personal insurance, or, in this case, caring for injured workers and making sure they get the right medical treatment and care and getting them back to work when they're ready to go back. The combination of helping injured workers and protecting our policyholders is very important to me and something I can connect to, and it's certainly something that our employees are very focused on.

Q Tell us about your military background and how it is helpful in navigating the insurance industry.

A One of the things that you learn right away in the military, even going back as far as the Naval Academy as a leadership incubator, is what style of leadership works and doesn't work for you as an individual. I found out early on that I function best and most effectively as a servant leader. So, rather than dictating what I want people to go do, I try and bring them together as a team, understand what they believe, what their opportunities are and their challenges, and then I try and provide the right tools, remove barriers, and help people accomplish their goals collectively. I found that has been transferable to every leadership role I've been in. You find that people have great ideas. Sometimes you just have to unleash those and support those and empower them to reach their potential.

Q&A

Q What are some of Pinnacol's goals for the coming years?

A One of the things that we try and do here is understand how our customers are evolving and what we've noticed is customers are needing more coverage, have more complex coverage needs, than they have in the past. We also find that customers are finding it more convenient sometimes to bundle other lines of insurance with workers compensation. One of the challenges that we have at Pinnacol is based on our statute. We are only allowed to write business in Colorado and workers comp, so there are some partnerships we can use to go outside of the state, but it isn't as effective as if we could just write our own business. So that's one of the things we'll be working on with the legislature — trying to evolve, trying to get more flexibility to meet customers' needs, much like our competitors can.

Q As the pandemic wanes, what are some lessons learned in the insurance industry?

A There were certainly some lessons learned as we look back. One of those is that financial strength is really important, because different events come up and you have to be able to weather that storm as a company so you can be there for your policyholders and your customers. We're proud that we had built a strong financial position, and we were able to prioritize our customers and injured workers without any interruption to the service they expect. The pandemic also accelerated many of the market forces that we were already seeing, such as the digital transformation, dispersed workers, employees' desire to work from anywhere. And we already talked about some of the challenges with comorbidities, and we are seeing what we believe is an increase in mental health issues as an instance of those.

Q Recruitment is an issue in the insurance industry. What can the industry do to better attract and retain talent?

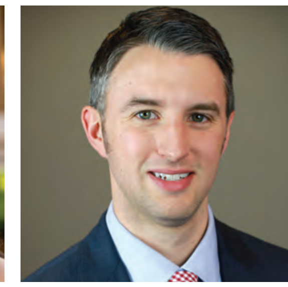
A We've been very innovative with a program that we started in 2017, which is an apprenticeship program that recruits high schoolers to come work a number of days a week with Pinnacol Assurance in jobs all around the company, ranging from underwriting to developers and customer service reps. Out of that program, people go on to get full-time positions with Pinnacol. Then, we're actually expanding that to university degree programs. At any given time we have at least 5% of our workforce in this program.

For workers comp, what will continue to be a challenge going forward is addressing some of the comorbidities outside of the illness or the injury that's part of the claim. Some of those, as an example, would be depression or other mental health issues.





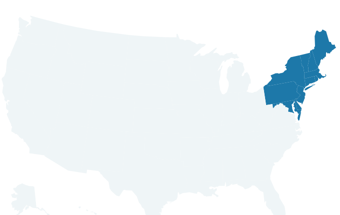


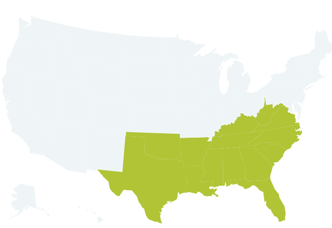
BUSINESS INSURANCE

BREAK OUT AWARDS

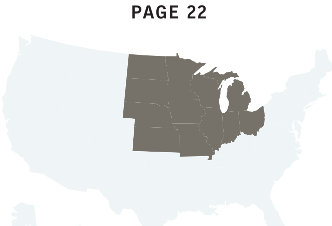
NORTHEAST
PAGE 15



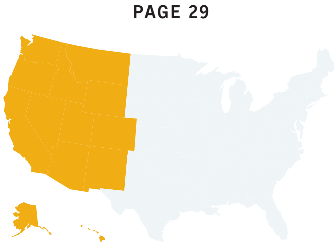
SOUTH
PAGE 19



MIDWEST
PAGE 22



WEST
PAGE 29



The up-and-coming leaders honored in the *Business Insurance* 2022 Break Out Awards are thriving in one of the most dynamic insurance markets of the past few decades.

Whether counseling clients on how to manage through such a tough and volatile environment or managing their own organizations as they rebound from the COVID-19 pandemic, these young managers and executives are helping to shape the insurance and risk management sector as it enters a new, technology-driven era.

The 40 honorees selected for the awards program represent some of the most talented leaders emerging in the industry. To be eligible for the award, nominees must work in commercial insurance or related sectors and cannot have worked in the field for more than 15 years.

To maintain diversity in geography and types of organization, the honorees are grouped in four regions of the United States: Northeast, South, Midwest and West. All of the nominations — which highlighted the nominees' client-service skills, expertise and leadership qualities — were reviewed by *BI* editors. After selecting finalists, we contacted references to learn more details about the nominees' achievements.

After two years of virtual award ceremonies due to the pandemic, the 2022 winners will be honored at live events in Chicago, New York and Los Angeles. Information on attending the events is available at businessinsurance.com.

In the following pages you can read interviews with all of this year's winners and learn their views on navigating the hard market and attracting people to the industry, as well as their more youthful ambitions and what they like to do outside of work.

Edited excerpts follow.

Gavin Souter, editor

2022 BREAK OUT AWARDS WINNERS

NORTHEAST

Brittany Baker
CyberCube Analytics Inc.
Page 15

Justin Pierce Berutich
Euclid Transactional LLC, a unit of Euclid Insurance Services Inc.
Page 15

Samantha Billy
Aon PLC
Page 16

Edward Cooney
Conner Strong & Buckelew
Page 16

Matthew Durkin
Chubb Ltd.
Page 16

Peter Halprin
Pasich LLP
Page 16

Jillian Raines
Cohen Ziffer Frenchman & McKenna LLP
Page 17

Marc Schein
Marsh McLennan Agency, a unit of Marsh LLC
Page 17

Tracey Waller
Verisk Analytics Inc.
Page 18

Larry Williams
United Services Automobile Association
Page 18

SOUTH

Jorge Aviles
Hunton Andrews Kurth LLP
Page 19

David Barnes
CAC Specialty
Page 19

Matthew W. Beato
Wiley Rein LLP
Page 19

Brian Boone
Hylant Group Inc.
Page 19

Taylor Forst
Alliant Insurance Services Inc.
Page 20

John Heaner
Burns & Wilcox Ltd.
Page 20

Charlotte Meah
Marsh LLC
Page 20

Jackie Selke
Harford Mutual Insurance Group
Page 20

Morgan Shrubb
Axa XL, a unit of Axa SA
Page 21

Sabrina Timmins
CNA Financial Corp.
Page 21

MIDWEST

Elijah Adedire
Zurich North America
Page 22

Timothy Chung
Axa XL, a unit of Axa SA
Page 22

Bradley Dlatt
Perkins Coie LLP
Page 22

Lauren Gorte
Chubb Ltd.
Page 22

Claire Louko
CNA Financial Corp.
Page 27

Abbie McMillin
Ascot Group Ltd.
Page 27

Emma Meyer
Aon PLC
Page 27

Dan Passananti
Assurance, a unit of Marsh McLennan Agency LLC
Page 27

Jeremy Schumacher
Safety National Casualty Corp.
Page 28

Lauren Tredinnick
Munich Re Specialty Insurance Co.
Page 28

WEST

Harrison Burka
Alliant Insurance Services Inc.
Page 29

Matthew Jaber
Coalition Inc.
Page 29

Ashley Jordan
Reed Smith LLP
Page 29

Kait Joven
Carpe Data
Page 29

Danielle Lucas
Pie Insurance Holdings Inc.
Page 30

Rachel Mazie
Lockton Cos. LLC
Page 30

Erin Parker
Chubb Ltd.
Page 30

Leanna Peppercorn
Marsh LLC
Page 30

Rachel Rossini
Axa XL, a unit of Axa SA
Page 31

Claire Torkington
Aon PLC
Page 31

BRITTANY BAKER 34

Senior director of technical sales

CyberCube Analytics Inc.

New York

Brittany Baker was promoted to her current position on Jan. 1, from director of technical sales. She joined CyberCube in July 2019 after graduating from Emory University and working at Oliver Wyman Inc. and PricewaterhouseCoopers LLP, where she cultivated her expertise in the cyber sector.

What's a lasting effect of the pandemic on the way you work?
I already had very flexible work arrangements with CyberCube, and PwC was also quite flexible, so that was less of a transition for me. What I have seen now, more recently, is a real appreciation for those in-person interactions, whether with my team or with clients. That's something for which I have a greater appreciation now.

What's your advice on navigating the current insurance market?
The biggest thing about cyber insurance and the market is that there is still an education gap, from an enterprise buyer through the insurers and the reinsurance market. Invest the time and resources in knowing what cyber risk is and having the right people in place.

What's a problem that needs fixing in your sector?
In addition to the education piece, it's the sharing of information and resources. We should be sharing loss data when it comes to cyber so we can all learn faster and more quickly what this risk is and how it ties from exposure to loss. We've done it in workers compensation and auto liability and other types of lines.

What is something about you that would surprise people?
That I did competitive horseback riding through high school on Long Island, where I grew up.

Favorite song?
This definitely changes. Currently, I am listening to the "Hadestown" soundtrack, which is a Broadway show we went to see recently, and I fell in love with it.

JUSTIN PIERCE BERUTICH 39

Managing director-head of tax

Euclid Transactional LLC,
a unit of Euclid Insurance Services Inc.

New York

Justin Pierce Berutich joined Euclid Transactional in June 2019 after working in the transactional liability group at QBE Insurance Group Ltd. and with Blue Chip Underwriting Services. Prior to QBE, he had been in private practice as a tax attorney and when he sought to become a service provider for the insurer, he was instead asked to join its tax group.

What's a lasting effect of the pandemic on the way you work?
The pandemic forced us to become nimble, adapting new technologies, business processes, even leadership skills. We've learned to work, collaborate, hire and onboard remotely. Euclid Transactional has tripled in size since March 2020.

What's a problem that needs fixing in your sector?
We need more awareness and penetration with respect to tax insurance. Despite tax insurance being around for decades, it's still largely unfamiliar to many taxpayers and their advisers. Tax insurance can provide an efficient and economical solution for tax uncertainty.

What should the industry do to attract more young people to work in it?
Educate the next generation on how insurance is an exciting and challenging career and that we really touch every aspect of the business world.

What is something about you that would surprise people?
I was a triathlete and had earned Ironman All World Athlete status for competing in Ironman races. I met my wife at a small race in Pennsylvania and we became engaged at another race.

What did you want to be when you grew up?
I think it probably changed a lot over time. Policeman, fireman, soldier, professional athlete. I'm pretty certain it probably wasn't tax team leader, but I really enjoy what I do. It's an exciting industry, with an amazing team at a great company.

SAMANTHA BILLY 31

U.S. growth broking leader, Aon cyber solutions brokerage practice

Aon PLC

New York

Samantha Billy was promoted in May to a national role after serving as greater New York team leader for Aon's cyber solutions brokerage practice. She started with Aon in 2013 as a broker and moved to the cyber and professional risk team the following year. After a stint in London in 2017, she returned to New York in 2018.

What's a lasting effect of the pandemic on the way you work?
The way we communicate, internally and externally. Where now we use Webex, previously we would just call people and send emails. It's more important than ever to stay connected with everybody. It's been a really great lesson to learn.

What's a problem that needs fixing in your sector?
The quantification around our space and getting data and the transparency of data on both sides to help clients understand where the risks and the losses are coming from, and for the underwriters and reinsurers so they can underwrite the risks. There's been a lot of volatility because it's such an emerging coverage field, so it's very important for both sides to provide data and be transparent.

What should the industry do to attract more young people to work in it?
It's important to build a culture where people enjoy working, that fosters people and makes them want to join. What attracted me to Aon when I had several opportunities out of school was the people I was working with.

Favorite hobby or pastime?
I love to travel. I love to experience new places and cultures and people. Diversity of thought is important. That's one of the reasons I moved to London for a bit.

What did you want to be when you grew up?
I always knew I wanted to be in business. My mom was in business, and I really looked up to her.

EDWARD COONEY 35

Partner, senior account executive, underwriting manager public entity practice

Conner Strong & Buckelew

Parsippany, New Jersey

Edward Cooney looked to insurance after earning his undergraduate degree in finance and business administration as the finance sector recovered from the crises of the late 2000s. A 2009 summer internship at Conner Strong & Buckelew led to his joining the broker in January 2010. Among his other responsibilities, he co-chairs the broker's cyber practice.

What's a lasting effect of the pandemic on the way you work?
I think it would be all surrounding communications. Our business, it's a very face-to-face, interpersonal communications business. It's all about relationships. At the beginning of the pandemic, we set up weekly video calls not only to discuss business, but just to remain in contact and feel like we were getting together. Ultimately, I think it made us better communicators.

What's your advice on navigating the current insurance market?
Always making sure we're tapping out every possible solution and being as creative as possible. We're having discussions with clients on quota share programs, and parametric insurance is a big part of property insurance these days.

What should the industry do to attract more young people to work in it?
We should do more about bringing to light the possibilities in the industry, beginning early, in schools and colleges. The people we hire are from all different backgrounds. Our company is starting to run programs in Camden for local high school students who are graduating.

Favorite hobby or pastime?
Music. I participated in everything musically in school — band programs, marching band, and played outside of school, and today still teach high school bands.

What did you want to be when you grew up?
A chef for a while, but then I decided I wanted to have my holidays and weekends.

MATTHEW DURKIN 34

Assistant vice president, regional underwriting manager

Westchester, a Chubb Ltd. company

Malvern, Pennsylvania

Matthew Durkin's management responsibilities cover three regions after adding Westchester's western territory to his portfolio, which already included the Mid-Atlantic and Midwest regions, some two months ago. He has been in his current management role for four years and was previously a senior underwriter, having followed a friend to the company in 2014 shortly after college.

What's a lasting effect of the pandemic on the way you work?
The pandemic and nearly two years of remote work made me realize how much I like and how important being in an office environment is. From building and keeping team culture and training purposes for newer employees, it's an important aspect of the industry and has a huge impact on development.

What's your advice on navigating the current insurance market?
Agents and insurers should embrace and leverage the digital experience in their own way but make sure the human touch and relationships with their trading partners is not lost. There's still plenty of room for direct interactions.

What should the industry do to attract more young people to work in it?
There are so many different paths to go down and so much opportunity. We do internships at Chubb and at Westchester and we need to have that opportunity well understood in the two or three months interns are with the company.

What is something about you that would surprise people?
That I graduated college with plans to be a teacher and after I got through the student teaching, I made an immediate pivot.

Favorite hobby or pastime?
I'm really into food. On Sundays at the house, I make pasta from scratch. I also play quite a bit of golf, which I started playing because everyone in insurance plays golf.

PETER A. HALPRIN 38

Partner

Pasich LLP

New York

Peter A. Halprin is best known for his work on insurance recovery cases related to cyberattacks, natural disasters, regulatory investigations and class action lawsuits, and COVID-19 claims. He worked with his colleagues to develop a comprehensive Legal Alert to address pandemic coverage issues and also led the COVID-19 Insurance Litigation Virtual Summit.

What's a lasting effect of the pandemic on the way you work?
The pandemic and working in isolation really highlighted to me how enjoyable it is to be in a collegial atmosphere of collaboration with your colleagues.

What's your advice on navigating the current insurance market?
Premiums are generally on the rise, coverages are often being restricted, deductibles and retentions are going up, and so I think policyholders really need to scrutinize coverage options that are available to them.

What's a problem that needs fixing in your sector?
Making sure that people have an appropriate work-life balance and that they're able to rest, relax, recuperate before returning to the office. Working from home and having no division between hours worked and where you sleep is a difficult combination.

What should the industry do to attract more young people to work in it?
Highlight that insurance is exciting. People don't realize how many things it touches and how integral it is to the functioning of business and the economy.

What is something about you that would surprise people?
I have very diverse interests. I can find myself falling down rabbit holes, (for example) to try to study Moldavian politics. At the same time, I'm very happy to watch the silliest new reality show.

Favorite hobby or pastime?
I'm a huge football fan, particularly a big fan of the New York Giants.

JILLIAN RAINES 35

Partner

Cohen Ziffer Frenchman & McKenna LLP

New York

After graduating from law school, Jillian Raines worked in insurance recovery for several years before she took an opportunity to join Apple Inc., where she worked on insurance-related issues and supported business units. When her former colleagues set up their own shop, she moved back to private practice at Cohen Ziffer in 2021.

What's your advice on navigating the current insurance market?
In response to COVID, the market had a strong reaction in terms of making sure that there's clarity around how things may or may not be covered. I see that happening again with respect to what's going on in Ukraine. What needs to be navigated a little bit more carefully is this almost real-time reaction by the market to some of these significant exposures. It requires careful attention to the actual terms of the insurance policies.

What should the industry do to attract more young people to work in it?
There's always been a divide in law schools around the academic curriculum, for example, taking a class on insurance law versus taking a project-based course where you are interning or being seconded. Having those dedicated project-based learning opportunities earlier on would be great. And I've had dreams of teaching an insurance recovery course, because it's just not something that is part of the core curriculum at law schools.

What is something about you that would surprise people?
I dabble in a lot of art, so I oil paint in my spare time. I've never been classically trained, but it's a meditative joy.

Favorite hobby or pastime?
I love distance running. I would not say I'm competitive, but I've run a series of half marathons and two full-length marathons. My dream is to do an ultramarathon.

What did you want to be when you grew up?
When I was a child, I wanted nothing more than to be an astronomer.

MARC SCHEIN 34

National co-chair cyber center of excellence

Marsh McLennan Agency, a unit of Marsh LLC

New York

After working for a while as a general commercial property/casualty broker, Marc Schein figured that to stand out from other, more experienced brokers he needed to find a niche. He focused on educating himself about cyber risk. At Marsh McLennan Agency, which he joined in 2016, he is responsible for his own book of business as well as educating clients and colleagues about cyber risk, among other things.

What's your advice on navigating the current insurance market?
Start early and focus on controls. Insurers now are becoming much more cognizant of the controls businesses have in place when looking to put out limits around cyber insurance than they were three or four years ago prior to the pandemic. In the past, businesses perhaps were able to transfer the risk rather than fixing the risk.

What should the industry do to attract more young people to work in it?
Let them know about the leadership opportunities that are going to be available in our space as we see this massive generational shift of folks retiring in the insurance industry.

What is something about you that would surprise people?
I'm a huge Dallas Cowboys fan. My dad grew up in Texas, and we used to travel around Texas and go to the Cowboys training camp. One year, my sister, who was about seven at the time, was looking to get Emmitt Smith's autograph and she was getting crushed by the fence. Emmit pushed everybody back and pulled her over the fence, and there was a young woman that worked for the Cowboys — Susan Skaggs — who brought me and my family over to the field, and we had lunch with Emmitt Smith and Troy Aikman.

What did you want to be when you grew up?
A professional wrestler.

Favorite song?
"New York, New York" by Frank Sinatra.

TRACEY WALLER 42

Director, small commercial underwriting

Verisk Analytics Inc.

Jersey City, New Jersey

Insurance is a career that Tracey Waller pivoted to after working in theater for several years. Attracted to the stability of the sector, she began as a proofreader for one of the industry's main underwriting and claims information organizations. She worked her way up, earning her CPCU and MBA along the way, and is now working to transform small commercial underwriting with data and analytics.

What's your advice on navigating the current insurance market?
The landscape for small businesses has changed significantly over the last couple of years, and the last thing they want to give significant thought to is their insurance. Something like 65% of the businesses are owned by Gen Xers and millennials and their expectations about insurance are a lot different. My advice for navigating that is to recognize the reality of what is. The expectation is that insurance is going to be straightforward, as fast as everything else we do on our phones every day, and the service will be there when they need it.

What should the industry do to attract more young people to work in it?
A couple of things. Embrace the really exciting innovations that are happening in data science. That's a quickly growing industry and it's one that really seems to be getting the attention of those joining or about to join the workforce. Continuing to push that innovation and technology forward can help attract new joiners to the industry. And continuing to focus on diversity and leadership across the industry.

What is something about you that would surprise people?
That my undergrad degree is in theater.

Favorite hobby or pastime?
I really love going to baseball games. I'm a fan of the New York Mets.

What did you want to be when you grew up?
I wanted to be a writer.

LARRY WILLIAMS 34

Head of small business

USAA

Philadelphia

Larry Williams always wanted to be a businessman and joined the insurance sector on the financial side, working on acquisition integrations at Chubb. Wanting a more "front of house" role, he joined the insurer's accident and health group before leading its North American digital business for small commercial. In 2019, he moved to USAA to head its small commercial business, which is distributed digitally.

What's a lasting effect of the pandemic on the way you work?
The biggest effect for me personally has been flexibility and having flexibility for the team, understanding that at the end of the day we're all human and we're trying to find that balance of our work and personal life.

What should the industry do to attract more young people to work in it?
I am struck as to why more young people don't join insurance. It's a product that's been around since the days of insuring ships going across the seas and frankly is an exciting industry that pays well, and through economic recessions has survived time over time again. The digital transformation that we're going through is what's going to become an attraction for younger people to join our industry.

What is something about you that would surprise people?
I'm a very outgoing person and spend a lot of time out in the field, but the thing that actually charges me is getting to come home at the end of the day and just spend time with a good book.

Favorite hobby or pastime?
I'm a car nut. Whether it's an older classic car, with the smell and sound of that engine running, or a newer exotic car. I have a 1975 Corvette that my mom bought when she turned 18 and I bought it off her five years ago, so it's a fun family heirloom.

Favorite song?
"Are You Gonna Be My Girl?" by Jet.

JORGE AVILES 36

Associate
Hunton Andrews Kurth LLP
Washington

Jorge Aviles doesn't expect to be doing anything other than insurance recovery litigation for the rest of his career, which he happily discovered out of law school while working for five years at Anderson Kill P.C. "I don't see myself switching. I really like coverage litigation and policyholder recovery work," he said. After moving to his current role at Hunton Andrews Kurth LLP in 2020, he has continued his work helping corporate policyholders in complex recovery disputes.

What's a lasting effect of the pandemic on the way you work?
People have proven that they're a lot more resilient in the way they do their work, allocate tasks and manage projects. The workforce has proven itself capable of still functioning, and, for lawyers, delivering a good work product, paying attention to detail and serving clients well even though we are not in the office all the time.

What's your advice on navigating the current insurance market?
As we have seen, risks that arise are unpredictable. We didn't know we were going to be in a pandemic, and now COVID-19 litigation is a hot topic. It's a matter of being flexible and keeping ahead of trends and emerging risks as they arise.

What's a problem that needs fixing in your sector?
People don't realize insurance is as interesting as it is. For the economy to be able to function, you need insurance. And it's a very dynamic and interesting field that covers every sector.

What is something about you that would surprise people?
I went to a military school my entire life. I went to the same school from pre-K through my senior year in high school.

Favorite hobby or pastime?
I recently bought a house and started gardening. It's not my favorite hobby or pastime, it's a new hobby or pastime.

DAVID BARNES 39

Senior vice president
CAC Specialty
Chattanooga, Tennessee

David Barnes credits mentors for helping him grow in a profession he enjoys, among them CAC Specialty's executive chairman, Paul Sparks, who showed him the importance of building lasting relationships with clients. Mr. Barnes joined CAC Specialty when it launched in 2019 and is senior vice president on the transactional liability team and co-head of the team's contingent and litigation risk solutions team. Prior to joining CAC, he was a vice president at McGriff, Seibels & Williams Inc.

What's a lasting effect of the pandemic on the way you work?
The world changes quickly and you have to be nimble and flexible and move fast. When the pandemic hit, the mergers and acquisitions universe turned off overnight. We laughingly said we could wait, or we could innovate. We decided to innovate, and our team drafted the first Paycheck Protection Program policy guaranteeing forgiveness of the PPP loan.

What's a problem that needs fixing in your sector?
We are encouraging clients and carriers to look at the insurance relationship as a long-term partnership. I'm not sure it's a problem, but it's something we think our sector could benefit from.

What should the industry do to attract more young people to work in it?
We want to emphasize to professionals coming out of business schools, law schools and others that insurance is a creative, fun, challenging and professional environment. I bet that at the top 50 law schools, very few people will leave and go to an insurance brokerage firm or an underwriter. In our view, they should.

What is something about you that would surprise people?
For a significant portion of my life, I thought I was going to be a rock star.

Favorite song?
"Hello in There" by John Prine.

MATTHEW W. BEATO 35

Partner
Wiley Rein LLP
Washington

Matthew W. Beato wanted to litigate when he joined Wiley Rein LLP 10 years ago. The firm's insurance practice delivered. He had the opportunity to litigate in federal and state courts throughout the country. Named a partner in 2021, he has spent his entire career in insurance litigation at the firm, focusing primarily on directors and officers liability and securities cases.

What's a lasting effect of the pandemic on the way you work?
A reduction in business travel. Some business travel will come back, but some won't. Some mediations will be conducted remotely, permanently. I don't see clients as much in person as I used to, but I see them a lot more over Zoom. With some clients, like the ones we have in London, we see a lot more over Zoom than in person because of the distance.

What's your advice on navigating the current insurance market?
Insurance is extremely fluid; something always pops up that's new. There are new exposures — cyber and ransomware, that sort of thing. You have to be on top of new developments, reading industry news and keeping up with developments in case law. If you're not doing that, you're going to be behind.

What should the industry do to attract more young people to work in it?
Realize that when people hear the word "insurance," it's not something everybody wants to do. In the current job market, we can't assume that every position is going to get filled like it used to. We have to make the case for why this is a career path where you can be successful.

What is something about you that would surprise people?
I really like to travel. I visited all 50 state capitals last year.

What did you want to be when you grew up?
An athlete before I realized not everybody can be in the NBA or NFL.

BRIAN BOONE 35

Regional CEO, Southeast
Hylant Group Inc.
Lake Mary, Fla.

Brian Boone joined AGIS LLC in 2009 because he recognized a company with "very smart people" and a commitment to his development. He left AGIS about 18 months after it was acquired by Hylant in 2012, moving to Los Angeles for family reasons and taking a position outside the insurance sector. He returned, though, when a leadership opportunity arose as Orlando office president for the brokerage. Earlier this year, he was promoted to regional CEO, Southeast.

What's a lasting effect of the pandemic on the way you work?
It created opportunities for us to bring in talent. We found some amazing talent in the pandemic and have grown substantially.

What's your advice on navigating the current insurance market?
There are a lot of headwinds in the business and being able to communicate that to your clients and finding them a right solution, being creative and innovative, is so important. We can't make assumptions about our clients and where they're at in their life-cycle if we don't ask questions.

What should the industry do to attract more young people to work in it?
We do a good job of focusing on schools with insurance programs, but there's great talent at any university or college. There are so many great opportunities in the insurance business — it's just getting the word out.

What is something about you that would surprise people?
I'm very competitive, and so is my wife. We love playing "Jeopardy!" against each other. She's quicker on the trigger.

Favorite song?
My dad was a big Doors fan. I grew up playing competitive soccer, and driving down Alligator Alley between Naples and Fort Lauderdale listening to "Roadhouse Blues" as the sun was setting was always memorable for me.

TAYLOR FORST 31

Assistant vice president, account executive

Alliant Insurance Services Inc.

Atlanta

Taylor Forst knew early on that he wanted a career in insurance and risk management. Studies at the University of Georgia fired his passion for the sector, and he joined Willis Towers Watson PLC soon after graduation. After eight years with the broker, in August 2021 he joined Alliant, where he handles large property accounts, mostly public entity business.

What's a lasting effect of the pandemic on the way you work?
I lived near our Charlotte, North Carolina, office but relocated to Atlanta, so I'm more flexible in my working arrangement. I'm closer to many of the markets that we deal with and can strengthen those relationships with in-person meetings as opposed to being in Charlotte where it was done more by phone or Zoom.

What's your advice on navigating the current insurance market?
Communications is at the heart of what we do, but now, more than ever, it is really important that we keep (clients) abreast of the latest changes. Some lines of coverage are changing by the day, and we have to ensure that we are providing them with constant guidance and updates on what they can expect for their renewals.

What's a problem that needs fixing in your sector?
Although we've made a lot of strides from a data collection, information technology perspective, we're still behind some of our peers in the financial world. Benchmarking is something industrywide that we could reinvest resources into. Anything we're able to do that makes our clients' jobs easier with regard to data collection and analytics is something that we should certainly invest in.

What is something about you that would surprise people?
It would surprise people to find out how horrible I actually am at the game of golf.

Favorite song?
"Raspberry Beret," by Prince.

JOHN HEANER 35

Associate managing director, underwriter for commercial insurance

Burns & Wilcox Ltd.

Tampa, Florida

Coming from a family of people working in insurance, John Heaner said he knew the business is all about building relationships. His communications degree from the University of North Carolina at Chapel Hill helped him fine-tune some of those personal skills needed to be more effective as an underwriter and broker. "I knew my talent was sales and that I gravitate toward that," he said. "I did an internship at Companion Property & Casualty Group, and after graduation from college I went back to the same company."

What's a problem that needs fixing in your sector?
Client expectations for turnaround time. In a world of everything being available to anyone at the click of a button, so goes everyone's expectations on insurance. People believe it's quick to turn around an insurance policy, and the reality is there is a lot more involved. There's a lot of underwriting that needs to take place before offers are sent. There's a whole lot of work behind the scenes to find a solution for an account.

What should the industry do to attract more young people to work in it?
Continue to invest more heavily in technology. Anything we can do to make it more attractive to people coming out of college. The younger generation are all looking for opportunities that have a sleek and fresh and new way of doing things.

Favorite hobby or pastime?
I love playing soccer. I played my entire life, and I still get out and play pickup ball with people.

What did you want to be when you grew up?
I always wanted to become an orthodontist or dentist, and then when I was in school I decided I don't want to be in school that long.

Favorite song?
"Keep on Loving You" by REO Speedwagon.

CHARLOTTE MEAH 35

Senior vice president, associate client executive

Marsh LLC

Washington

Charlotte Meah joined Marsh LLC in 2013 after working for several years in wealth management in the financial sector, a niche she found to be "too personal." Using contacts, she started in an entry-level position at the broker, working in several different roles in property insurance before landing in her current position.

What's a lasting effect of the pandemic on the way you work?
The flexibility and being intentional about where you spend your time. You are no longer required to spend time in the office to be present.

What should the industry do to attract more young people to work in it?
I think the insurance industry historically has focused on promoting and hiring through risk management programs at universities. It's a great college major, and it generates incredible talent. But it's also a great career choice for those who are not risk management majors, like myself. I think you can take smart people and train them to work in the industry. You can teach insurance, but it's much harder to teach the soft skills that strong workers inherently bring to the table.

What is something about you that would surprise people?
In college, I did a very nontraditional study abroad program in Romania and Hungary. It involved living in a Romanian home with cherry farmers and an internship coaching cheerleading for an American football team in Budapest. It was a pretty amazing experience, just by throwing yourself into the culture.

Favorite hobby or pastime?
Cooking. It's my favorite way to unwind after a long day and a great mental break.

Favorite song?
"Baba O'Riley" by The Who. It's not my everyday listening song, but it plays before every Georgia kickoff and it carries the best memories of cheering on the Bulldogs.

JACKIE SELKE 33

Special investigations unit analyst

Harford Mutual Insurance Group

Bel Air, Maryland

In her first insurance job out of college as a claims examiner for Harford Mutual, Jackie Selke noticed something shocking in many general liability claims: People lie. So when the company decided to take its fraud investigations in-house, she immediately applied for a position. "It's most probably the most interesting thing in claims," she said. "People just do whatever it takes to get money. We see a lot of people lie; we catch them in lies."

What's a lasting effect of the pandemic on the way you work?
It's given us the flexibility to work from home. We are in the office part time.

What's a problem that needs fixing in your sector?
If somebody is caught in fraud not a lot happens after that. That's why it is so easy for people to commit fraud. There are no real repercussions all the time. You notify the authorities, and, at the end, there's no heavy fines, jail time. People aren't seeing the effects of these poor decisions. What happens for us is the claim is denied, but it doesn't stop all fraud from happening.

What should the industry do to attract more young people to work in it?
Make more insurance classes available at universities.

What is something about you that would surprise people?
I did my morning announcements in high school and I always had the dream of being on the radio.

Favorite hobby or pastime?
Spending time with my family, and when my son is asleep I like to watch reality TV.

What did you want to be when you grew up?
I wanted to be on the radio. I also thought it would be fun to do something with music.

Favorite song?
"Everybody Wants to Rule the World" by Tears for Fears. It's such an iconic song in a lot of movies. It never gets old.

MORGAN SHRUBB 33

Head of terrorism, crisis management & special risks, Americas

Axa XL, a unit of Axa SA

Atlanta

Morgan Shrubb, a graduate of the University of Georgia's program in international affairs and a longtime swimmer, was working as underwriting assistant at Hiscox Ltd. when a serendipitous moonlighting gig as a swim instructor for the children of the insurance company's head of terrorism led her to a role with that unit. The individual noticed her background in international studies and thought she'd make a good fit for the team. She joined Axa XL in 2019.

What's your advice on navigating the current insurance market?
It's important to find a mentor to help you navigate the environment. I wouldn't be where I am today without mentors. It's important to network and meet people outside of your organization. The industry is so big, but it's small; you will end up working with people you worked with in the past, coming full circle. Keep your network open. Keep your old contacts intact.

What's a problem that needs fixing in your sector?
The first thing that comes to mind are the diversity and inclusion initiatives. I hope these initiatives move forward. Getting more women in leadership is important.

What should the industry do to attract more young people to work in it?
Education. Insurance is a hidden gem in the business and finance world. Insurance is often overlooked in business majors. If we spend time educating college students and exposing them to the insurance industry, that is the best way to get new talent.

Favorite hobby or pastime?
I am into tennis. I am a member of a women's tennis team. We play in the spring and fall, and I play mixed doubles with my husband in the summer.

What did you want to be when you grew up?
I wanted to work in the CIA or the FBI.

SABRINA TIMMINS 36

Vice president, branch manager

CNA Financial Corp.

Dallas

A "people person," Sabrina Timmins imagined a career on the insurer side would confine her to a desk, and so — degree in risk management from Temple University in Philadelphia in hand — she ventured into broking. She then went back and forth before landing her current spot. "My perception was not accurate," she said. "Having carrier and broker perspectives has been one of the best things for my career. It has helped give me credibility."

What's a lasting effect of the pandemic on the way you work?
Pre-pandemic, I was a remote employee. My team was then scattered across the country. We were always on conference calls, but we never used videos. While people hate videos, I love them.

What's your advice on navigating the current insurance market?
It's constant communication. At the end of the day, you have to communicate to manage expectations. Having been on the broker side helps me as I am able to put myself in their shoes.

What should the industry do to attract more young people to work in it?
We make fun of ourselves a lot as an industry. We are the brunt of our own jokes. I am an insurance nerd, but I think the industry is a hidden gem. It's recession-proof. You can travel the world. You can learn about many industries. We need to promote more the positives.

Favorite hobby or pastime?
Going to concerts.

What did you want to be when you grew up?
An attorney, which is how I ended up going into risk management. Someone in college convinced me to not be an attorney; they said it was not a great life.

Favorite song?
"Living" by Dierks Bentley. I pay attention to lyrics. It's talking about living and taking it for what it is and being more positive and embracing the here and now.

ELIJAH ADEDIRE 36

International servicing leader-large property

Zurich North America

Chicago

Elijah Adedire's journey in the industry began during graduate school at Cornell University when he took an internship at Zurich. He soon realized that insurance offered an opportunity to make an impact. Mr. Adedire started out as an internal consultant in 2013, and though he left to join Deloitte for a few years, his passion for insurance saw him rejoin Zurich in 2019.

What's a lasting effect of the pandemic on the way you work?
Remote work and virtual meetings are here to stay. Pre-COVID I used to go to the office three times a week, but during the pandemic the dynamic changed to 100% remote. Technology has enabled us to be successful, to still collaborate and deliver great service to our customers.

What's your advice on navigating the current insurance market?
We have to continue to evolve our process. The insurance market as a whole is known for a lot of data. Data is increasing at an exponential rate, which can also be a disadvantage, because we have a lot of legacy systems, old processes, a lot of manual data entry. We have to have a more efficient way to capture what is relevant and not overwhelm people with laborious work.

What should the industry do to attract more young people to work in it?
We need to create awareness. I remember when I was in college in undergrad, no insurance company came to my school. We have to be our own advocate, letting people know that insurance is a fun place, with a lot of great talent working here.

Favorite hobby or pastime?
Soccer, which we call football. I grew up in Nigeria, and I used to play when I was growing up and for the school team.

Favorite song?
Harambe songs, but I don't have one favorite.

TIMOTHY CHUNG 41

Head of environmental, central region

Axa XL, a unit of Axa SA

Chicago

Timothy Chung entered the insurance business just three years ago, at the encouragement of a friend who is a broker at Aon PLC. The knowledge he built before that over more than a decade in the environmental consulting and contracting sector has stood Mr. Chung in good stead. Since being hired by Axa XL in 2019 as an environmental underwriter, he has advanced rapidly.

What's a lasting effect of the pandemic on the way you work?
For better or worse, and worse maybe, managing as well as creation of a work-life balance. Through the pandemic we learned that people work a lot of long hours and without that separation from commute it's easy to blur it sometimes.

What's a problem that needs fixing in your sector?
Discipline, overall and throughout the market. The environmental market space has generally been a relatively soft market. Being disciplined and understanding your long-term goal and strategy and appetite and getting a firm grip of that strategy is important.

What should the industry do to attract more young people to work in it?
Through the pandemic the industry did a great job of adapting, working from home for the most part, but the industry can definitely do better at promoting that work-life balance. As offices reopen and there's a lot of encouragement for people to go back, it's good that the pandemic allowed a hybrid model to surface, enticing young people into this space.

What is something about you that would surprise people?
I'm pretty open-book. For me I think because I look so young, most people don't realize how old I am.

Favorite hobby or pastime?
It's a love-hate relationship, but golfing would be my favorite hobby. And recently I've taken up canoeing with the family.

BRADLEY DLATT 32

Associate attorney

Perkins Coie LLP

Chicago

Bradley Dlatt is an associate in Perkins Coie's insurance recovery practice who represents corporate, nonprofit and individual policyholders in coverage disputes. In 2021, he helped clients recover eight figures in insurance recoveries in completely or partially disputed claims under a wide variety of coverage forms. He has resolved coverage disputes across all major lines of coverage.

What's a lasting effect of the pandemic on the way you work?
The emphasis on digital connection in many ways made my job easier because it meant that we could really give clients what they needed in real time through video conference, or the increased reliance on email and Zoom, and that we could connect even more than we already were.

What's a problem that needs fixing in your sector?
The insurance world would be better off on the insurer side and the policyholder side if there were more efforts to demystify insurance, to make it simpler both in terms of how the policies are written but also in terms of how the risks to be insured are explained and ultimately underwritten.

What should the industry do to attract more young people to work in it?
If young people understood that insurance is really about empowering businesses and nonprofits and individuals to be able to take chances and to innovate and to be creative, I think they would see the attraction of the industry.

What is something about you that would surprise people?
I have a deep passion for music and for art, for theater, and that's something I get to explore in my personal life.

Favorite hobby or pastime?
I am a big Chicago White Sox fan. Baseball has always been something that I've loved that brings me excitement and joy and, at times, sorrow and heartbreak. When I'm not focused on work in the summertime, you can usually find me at the ballpark.

LAUREN GORTE 34

Senior vice president, chief operating officer, accident & health, North America

Chubb Ltd.

Chicago

As the daughter of a risk manager, Lauren Gorte knows a bit about insurance, even if she didn't envision a career in the industry. After an internship at the Federal Reserve, the economics major decided against a government job, then considered consulting before her father suggested insurance underwriting. Ms. Gorte joined Chubb, then Ace Ltd., in 2009 and has since held various leadership roles in cyber liability and now accident and health.

What's a lasting effect of the pandemic on the way you work?
The benefit of being able to connect over video more frequently and easily with brokers, clients and colleagues. I don't think you'll ever be able to replace the benefits of in-person interaction, but the reality is I can have meetings with so many more people internally and externally via a Zoom or Webex.

What's your advice on navigating the current insurance market?
Understanding the issues, whether you're a broker understanding what your clients are dealing with or having that discussion with your underwriter to assess what's top of mind for them.

What's a problem that needs fixing in your sector?
I come from an insurance family, and, even then, I still struggled to find my path into the industry. We have a real need to continue to build a diverse talent pool for our industry. That starts with attracting talent, making them aware of the career paths and opportunities.

What did you want to be when you grew up?
A professional athlete. I always played multiple sports. I subsequently tore both of my ACLs and had reconstructive surgery, so I had to pivot to something with less contact. Insurance fits the bill in a lot of ways.

Favorite song?
"Love It If We Made It" by The 1975.

FIRST ONSITE™
PROPERTY RESTORATION

2022 PROPERTY INSURANCE SURVEY

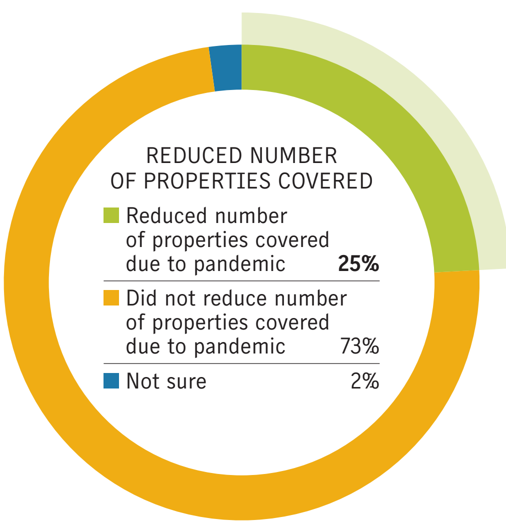
BUSINESS INSURANCE

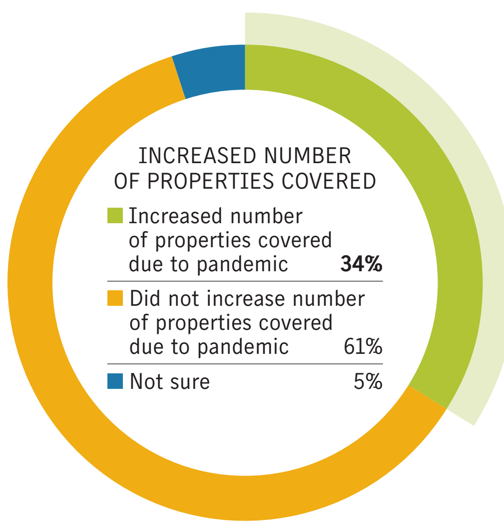
BUSINESS INSURANCE®

2022 PROPERTY INSURANCE SURVEY

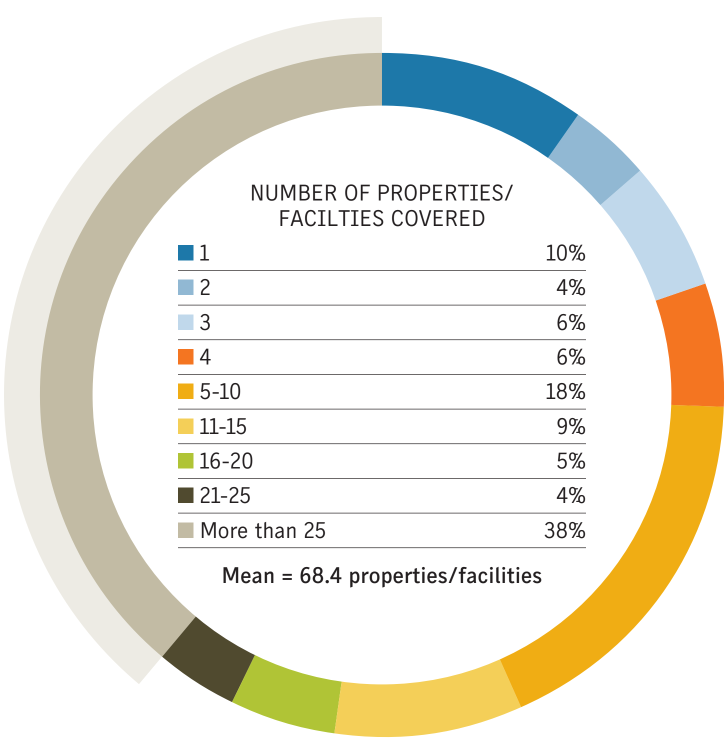
About a quarter of the risk managers surveyed for this year's *Business Insurance* property insurance survey said they have reduced the number of properties covered under their property insurance program due to the pandemic. A third of them, on the other hand, said they have added to the number of properties covered. Overall, the survey found there is an average of 68.4 properties or facilities covered per property insurance program.

PROPERTIES COVERED





Thirty-eight percent of respondents said they have more than 25 properties/facilities covered under their company's property insurance program.



Business Insurance commissioned Signet Research Inc. to conduct the annual online survey, which received 398 responses. However, only responses from 135 risk managers or insurance buyers who are involved with insurance purchase decisions for their organizations were used in the report. The base used is the total answering each question.

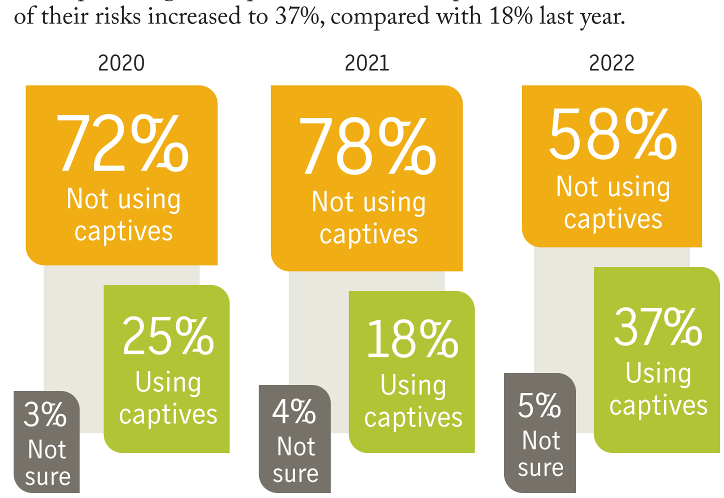
INSURERS

An average of 12.5 insurers participate in an organization's property insurance program, covering an average of $1.3 billion in total asset value, with an average total premium of $4 million. This compares with an average of 6.1 insurers covering an average of $2.0 billion in total asset value at an average of $4 million total annual premium in 2021. Forty-six percent of this year's respondents use only one insurer to cover all their properties.

We use one insurer to cover all of our U.S. properties, and we do not have non-U.S. properties.	**31%**
We use multiple insurers to cover all of our U.S. properties, and we do not have non-U.S. properties.	15%
We use one insurer to cover all of our U.S. and non-U.S. properties.	**15%**
We use multiple insurers to cover all of our U.S. properties and multiple insurers to cover our non-U.S. properties.	17%
We use one insurer to cover all of our U.S. properties and different insurers to cover our non-U.S. properties.	11%
We use multiple insurers to cover all of our U.S. properties and one insurer to cover our non-U.S. properties.	8%
Not sure	3%

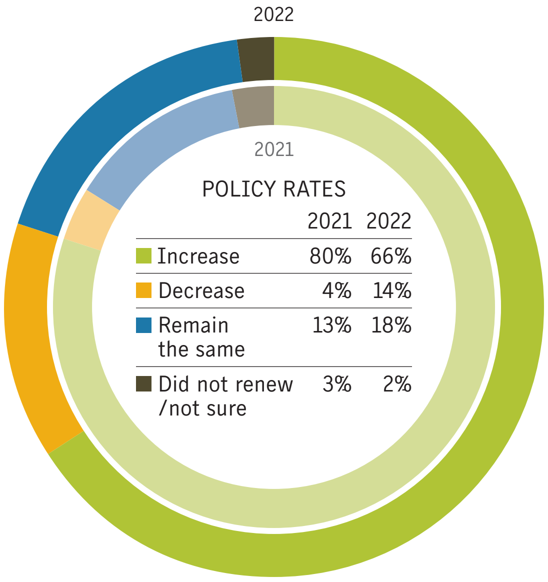
CAPTIVES

The percentage of respondents that use captives to insure some or all of their risks increased to 37%, compared with 18% last year.

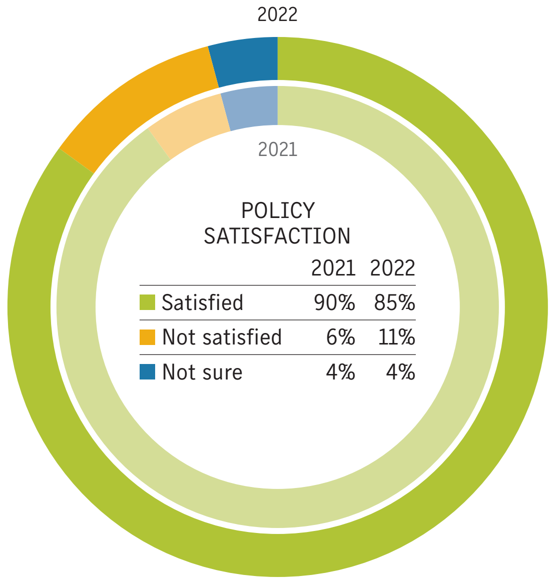


SATISFACTION LEVEL

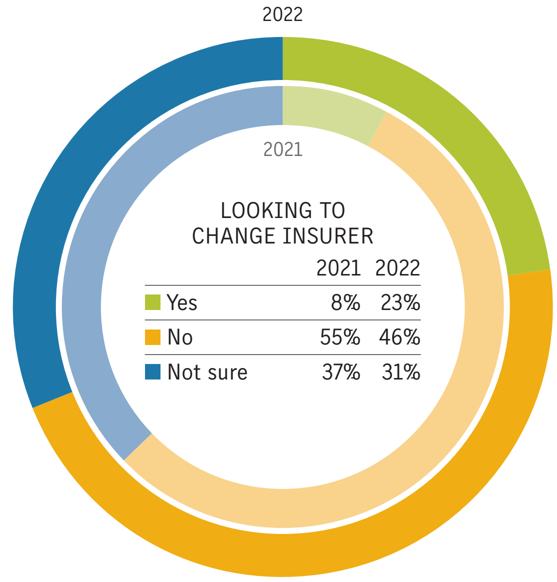
At last renewal, 66% of respondents saw a rate increase, compared with 80% last year. The satisfaction level dropped to 85% from 90%. And 23%, compared with only 8% last year, of respondents said they will be looking for a new property insurer in the coming year. The last time respondents switched their property insurers was about 6.5 years ago on average.



	2021	2022
Increase	80%	66%
Decrease	4%	14%
Remain the same	13%	18%
Did not renew /not sure	3%	2%



	2021	2022
Satisfied	90%	85%
Not satisfied	6%	11%
Not sure	4%	4%

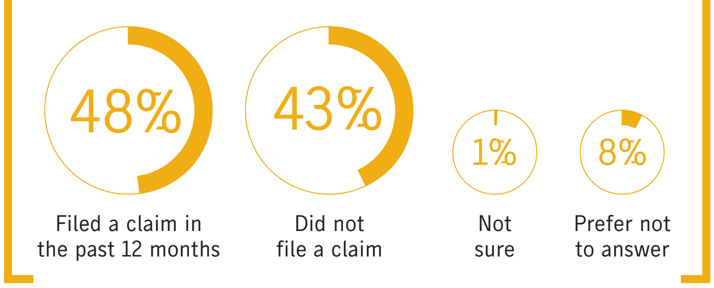


	2021	2022
Yes	8%	23%
No	55%	46%
Not sure	37%	31%

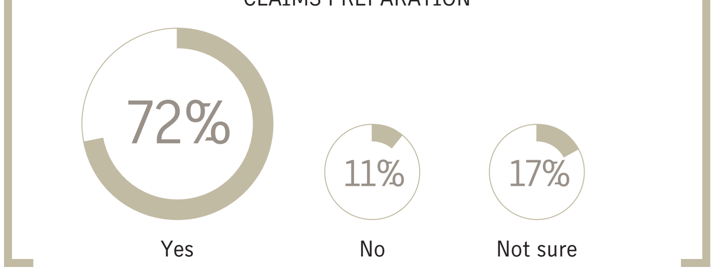
CLAIMS

In the past 12 months, 48% of the respondents have filed property insurance claims. Seventy-two percent of respondents said their policies include costs of claims preparation.

12 MONTHS OF FILED CLAIMS



CLAIMS PREPARATION



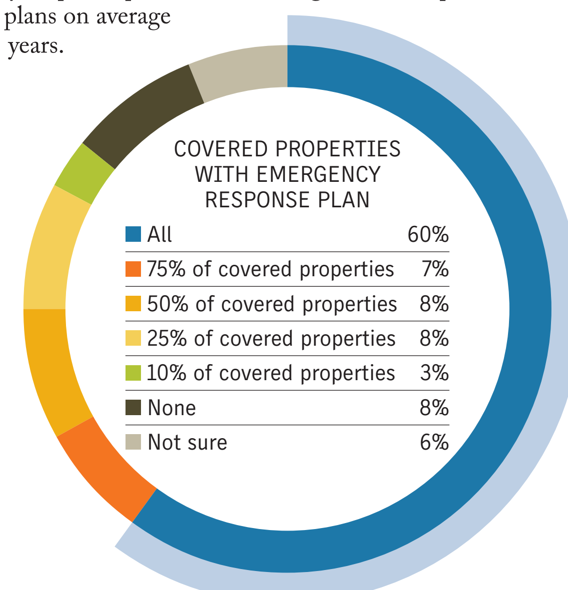
COVERED ZONES

More than half of the respondents said they have properties that are located in flood-prone zones.

Flood	**52%**	Tsunamis	13%
Hurricanes	48%	Volcanic activities	13%
Tornadoes	44%	Other	2%
Earthquakes	41%	None of the above	18%

EMERGENCY RESPONSE PLAN

Sixty percent of respondents said all of their covered properties have emergency response plans and their organization updates the emergency response plans on average every 2.1 years.



All	60%
75% of covered properties	7%
50% of covered properties	8%
25% of covered properties	8%
10% of covered properties	3%
None	8%
Not sure	6%

Emergency response plans are updated on average every 2.1 years.

MOST IMPORTANT FACTORS

Breadth of coverage, price and value-added services are the top three most important factors that will motivate risk managers to switch their policies.

BREADTH OF COVERAGE **66%**

PRICE **63%**

VALUE-ADDED SERVICES **37%**

SERVICING TEAM MEMBERS **23%**

NEW INSURER **8%**

OTHER **3%**

Breadth of coverage is the most important motivation to switch policies.


FIRST ONSITE

CLAIRE LOUKO 40

Vice president, head of ceded reinsurance, North America

CNA Financial Corp.

Chicago

As a philosophy major, Claire Louko had not planned on a career in insurance, but after college she decided to follow her sister who had moved to the West Coast to join Liberty Mutual as an underwriter. Ms. Louko interviewed with Liberty Mutual and in 2007 started out in property underwriting. She was recruited by CNA to join its ceded reinsurance team in 2014 back in her hometown of Chicago.

What's a lasting effect of the pandemic on the way you work?
In general, it's the hybrid model. Before it was five days in the office, so a lasting effect is shifting to how we are eventually going to be going back to the office but with the ability to be effective and productive working remotely.

What's a problem that needs fixing in your sector?
There's a couple of lines of business, like property, for example, where we're experiencing inflation. One of the challenges is how as an industry do we tackle inflation, how do we make sure we are accounting for that appropriately on the property underwriting side, and that we have proper insurance-to-value. The other piece would be social inflation that we're seeing on some of the casualty lines of business.

What should the industry do to attract more young people to work in it?
We've come a long way in a short period of time and that is going to help attract young talent. COVID forced the issue of much more flexibility that wasn't necessarily there in the insurance industry. The other thing is it's become much more casual. Whereas I was in a suit five days a week, being able to work remotely, virtually, has enabled us to be more relaxed in our overall appearance.

What did you want to be when you grew up?
I wanted to be an architect.

Favorite song?
"Here Comes The Sun" by the Beatles.

ABBIE McMILLIN 33

Vice president, cyber & professional liability

Ascot Group Ltd.

Chicago

After receiving a psychology degree from the University of Illinois, Abbie McMillan took time off to find the right fit in the job market. She took a job in the insurance industry, recommended by a friend, and learned the intricacies of wholesale brokerage and retail underwriting. Eventually specializing in cyber risk, two years ago she moved to Ascot.

What is a lasting effect of the pandemic on the way you work?
It's allowed me to (work remotely from) Denver. That may have been possible without the pandemic, but it has fixed the idea that we can work from anywhere and still be effective and still manage relationships. So that would be the biggest one for me.

What is your advice on navigating the current insurance market?
Don't take anything personally. One thing that's served me well in business is to remain calm and understand that conversations and deals aren't personal. Because if there is anything causing you concern, there is usually an easy solution, if you just stay calm and understand that it has nothing to do with you.

What's a problem that needs fixing in your sector?
More consistency and stability. Where we were is not where we should be in terms of coverage and rates. For the cyber industry, it's important for underwriters, actuaries and coverage counsel to figure out what it is that we want to be included and covered. Our industry would benefit from a level, more consistent approach to get to the bottom of what makes sense and where underwriters and companies can feel confident regarding a sustainable product.

What did you want to be when you grew up?
A veterinarian. I had a habit of bringing home injured strays and demanding that we keep them.

Favorite song?
"Hard to Concentrate" by the Red Hot Chili Peppers.

EMMA MEYER 29

Broker II, national health care practice

Aon PLC

Cleveland

With a degree in neuroscience and a minor in public health from Ohio State University, Emma Meyer's focus was to find a career that matched her skills. When a friend told her about an opportunity in health care professional liability at Aon, she was immediately interested. That led to a position in 2014 and a career that she describes as innovative and ever-changing.

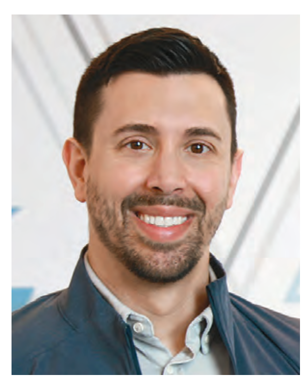
What is a lasting effect of the pandemic on the way you work?
It's changed because I now work some from home. It has also changed the way I work with my teammates. When a question arises, for example, I have to make sure that I can be vocal and reach out to them. As far as the day-to-day and information sharing, that has definitely changed. There is still a lot of collaboration if you're willing to reach out when things are different or new.

What is your advice on navigating the current insurance market?
My advice is to be flexible and willing to be innovative and cooperative with the carriers you are working with. Also, try and find new solutions and don't be afraid to ask questions if something hasn't been done before, because it could still be a possibility. Be open to conversations rather than just taking "no" for an answer.

What should the industry do to attract more young people to work in it?
Being flexible on working remotely has become key for some. It's also important to focus on the support they would have from team members, the resources in place for them for training, and to make them feel comfortable and help them succeed.

Favorite hobby or pastime?
I enjoy Pilates and reading.

What is your favorite song?
"Slow Dancing in a Burning Room" by John Mayer.



DAN PASSANANTI 37

Chief operating officer

Assurance, a unit of Marsh McLennan Agency LLC

Chicago

With a background in mental health, Dan Passananti began his career running a large inpatient psychiatric department. When the job ended, he made the life-changing decision to work for a small insurance brokerage. He was inspired by the many aspects of insurance and moved to Assurance in 2014, where he now serves as chief operating officer.

What is a lasting effect of the pandemic on the way you work?
When I think of how we've been able to come together, there's less of a need to be physically together to move work forward. Previously, you would want to wait until everyone was together to knock something out. Now, the world is your oyster, no matter where anyone is geographically.

What is a problem that needs fixing in your sector?
The insurance industry is administratively heavy and burdensome, so how do we find quicker, smarter and faster ways through technology or other efficiencies for our people to do their work so they can focus on what matters most and that is our clients?

What should the industry do to attract more young people to work in it?
Our industry has a ton of cool and different things that can be accomplished, and we need to think about it that way, rather than the traditional way — that insurance is boring — because it isn't. It's extremely fascinating, and if we don't believe that, we're not going to attract young people and help them connect to that.

Favorite hobby or pastime?
I really enjoy design. We bought a house recently and it was a blast to pick out couches and rugs, sofas and pillows and design a new kitchen.

What's your favorite song?
Any song by Taylor Swift.

JEREMY SCHUMACHER 39

Director of cyber underwriting

Safety National Casualty Corp.

St. Louis

While in law school, Jeremy Schumacher determined law was not a career path he wanted to follow. He was drawn to contractual law, however, which led him to insurance where his father, grandfather and great-grandfather had worked. The training and mentorship he received at various insurers ultimately led him to Safety National in 2014, where he serves as director of cyber underwriting.

What's a lasting effect of the pandemic on the way you work?
The knowledge that I can work from home and get things done while having the opportunity to see my kids — especially during summer when they are home.

What's a problem that needs fixing in your sector?
We would benefit from solid historical data that could be relied on for underwriting purposes. That is hard to come by in an ever-changing cyber world, where exposures are constantly shifting. In cyber, it's not just the accident or mistake that causes the loss, it's the malicious actors that are out there trying to attack and harm our insureds.

What should the industry do to attract more young people to work in it?
Get into universities and schools and talk about what you do on a day-to-day basis. Insurance doesn't have a fun connotation, but we don't do a good job of explaining and selling the interesting things we do every day.

What is something about you that would surprise people?
My favorite movie growing up was "Top Gun." I've been waiting 20-30 years for a sequel and when "Top Gun II" was announced I got my tickets minutes after they became available.

Favorite hobby or pastime?
I still enjoy running. We got a pandemic puppy and when I'm home I go out twice a day and do a couple of laps around the neighborhood with my dog.

LAUREN TREDINNICK 36

Head of public entity national accounts and property

Munich Re Specialty Insurance Co.

Madison, Wisconsin

A habit of talking out of turn in her high school calculus class led to an insurance career for Lauren Tredinnick. For talking in class, she was given the choice of a week's detention or attending a career fair. She chose the fair and because of her love for math, she was attracted to actuarial science. This shaped her career path and ultimately led her to Munich Re.

What is your advice for navigating the current insurance market?
I would say to listen. Right now, especially in the public entity space, our clients are facing very different challenges. To provide the best solutions that they need versus what we think they need, we must really understand their situations.

What is a problem that needs fixing in your sector?
Recruiting and retention. There will be a big talent gap if we're not already facing it. There is a lot of opportunity to hire great talent, train them and bring them on to our teams. That will be huge for the next five to 10 years. Our reach could be better, especially across a more diverse landscape.

Favorite hobby or pastime?
I am a runner and a reader. I try to incorporate these in my everyday life to provide balance, but it's also a way I engage with people. I like to talk with people about books and I enjoy running with people.

What is something about you that would surprise people?
Probably that I play saxophone professionally. I am in the Wisconsin National Guard band. We wear a lot of different hats in the National Guard, but that one is probably my favorite.

What did you want to be when you grew up?
A rock star. I wanted to be a guitar player and a singer in a rock 'n' roll band.

HARRISON BURKA 31

Assistant vice president, predictive modeling and business intelligence analyst

Alliant Insurance Services Inc.

Santa Ana, California

Harrison Burka, who is with SES Risk Solutions, a subsidiary of Alliant Insurance Services Inc.'s Alliant Underwriting Solutions, started out as a business analyst at a law firm before joining the insurance industry in November 2018. The beginning of his career at SES revolved heavily around analytics, specifically how the use of internal and external data could help determine claims drivers.

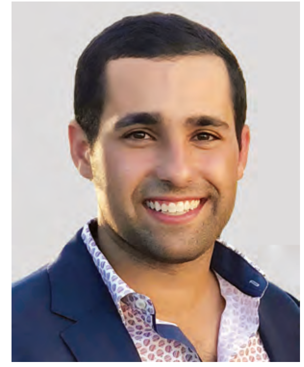
What's a lasting effect of the pandemic on the way you work?
In working remotely, you need to hold yourself accountable. There's not anyone looking over your shoulder making sure you're doing your work.

What's your advice on navigating the current insurance market?
Collecting as much data as you can is only going to help you in the future. The future of insurance is heavily digital, so just being able to acquire that third-party data and leveraging it will help move your company forward.

What should the industry do to attract more young people to work in it?
Express the exciting nature of it. I think it's exciting because it's extremely similar to gambling, where you're kind of Vegas and you're setting the odds of insuring risk, so you base it on probabilities.

What is something about you that would surprise people?
I can moonwalk, and I do a pretty good representation of Michael Jackson dancing. It comes out at weddings sometimes, and it definitely will not come out at the awards ceremony.

What did you want to be when you grew up?
I really wanted to be a sports agent, because I played football and had lots of friends that could potentially become players, but found out getting into that is very difficult, and it's also a lot of just dealing with big personalities, and that wasn't something I really wanted to do.



MATTHEW JABER 31

Western zone team leader, risk engineering

Coalition Inc.

San Francisco

Matthew Jaber started his career at Travelers in 2013 in its underwriting development program, where he became a cyber specialist. He moved to Coalition in 2019 to help develop underwriting strategy and products, where he is responsible for all underwriting for the Western zone.

What's a lasting effect of the pandemic on the way you work?
I realized I'm a morning person. Basically, because of the pandemic, and it's all working at home, I don't have to commute to the office, which is saving me so much time in the morning, so I can roll out of bed and work.

What's a problem that needs fixing in your sector?
The insurance industry is incredibly stable and has been for good reason, and it's been around for hundreds of years, but the traditional way of conducting business in the insurance industry is not working. This new age of insurance is being much more dynamic. What we're trying to do here is to actively monitor our policyholders, actively underwrite. It goes back to transparency, really communicating and strengthening and building relationships.

What is something about you that would surprise people?
That I'm very competitive when it comes to playing ping pong. I grew up playing ping pong with two of my brothers, and I'm definitely open to challenging anyone in the insurance industry.

What did you want to be when you grew up?
I wanted to be an NBA basketball player. That was always my goal, but the basketball gods crushed my dreams, and they topped my height at 5'8", so I vicariously live through Stephen Curry right now.

Favorite song?
"Baby Beluga" by children's entertainer Raffi. I have a daughter who's six months old and we're playing that song a lot. It's a hit in our household.

ASHLEY JORDAN 37

Partner

Reed Smith LLP

Los Angeles

Ashley Jordan represents Fortune 500 and middle-market companies in complex insurance claims disputes. She has recovered more than $150 million in insurance proceeds for her clients through strategic negotiation, litigation and alternative dispute resolution, and handled billions in insurance claims.

What's a lasting effect of the pandemic on the way you work?
Virtual meetings with clients. Zoom and Teams meetings certainly seem to be outlasting the pandemic, and with corporate counsel facing ever-increasing pressures on their time, some clients just prefer the convenience of virtual meetings.

What's a problem that needs fixing in your sector?
Inclusivity at the highest rank and, to that end, bringing a business planning and career advancement emphasis to our women's focused initiative. That's something I'm proud to be championing and leading at Reed Smith in my role as co-chair of my office's Women's Initiative Network.

What should the industry do to attract more young people to work in it?
Young people's eyes tend to glaze over if you just say you're an insurance lawyer. But when you give color, giving examples of cases we handle, it tends to pique interest.

What did you want to be when you grew up?
I'm a third-generation lawyer, so entry into the legal field was a natural choice. Now, becoming an insurance attorney was never on my radar during law school, but an on-campus interview during my third year of law school convinced me to go into the insurance field. The firm's partners made insurance recovery litigation sound like really cutting-edge, important work, and it turns out that it was, and still is.

Favorite song?
My wedding song, which is "Making Memories of Us" by Keith Urban.

KAIT JOVEN 31

Director, product delivery

Carpe Data

Santa Barbara, California

Kait Joven didn't intend to build a career in the insurance industry when she joined a technology startup in 2012, after graduating from the University of California, Santa Barbara. But her early work as a social media analyst for the company that is now Carpe Data led to the development of software for injury-related claims. Less than a decade later, Ms. Joven leads a team of 20 product delivery engineers.

What's a lasting effect of the pandemic on the way you work?
I already worked remotely when the pandemic hit, so one of the nice things is I was able to be a resource to my coworkers as they figured out how to do this — and how to stay sane while working from home. The biggest impact has been using my voice at work … and I have more to offer than just my work experience.

What's your advice on navigating the current insurance market?
With data and insurance, it's making sure we aren't playing into people's unconscious bias. There's so much that you can do within insurance to make it equitable for people and accessible.

What's a problem that needs fixing in your sector?
Specifically in technology, there is a lot of bias in writing algorithms. The more diverse your team is in working with data the more we'll be able to avoid accidentally writing bias into the programs and the products that we're creating.

What is something about you that would surprise people?
I am really into "Dungeons and Dragons" and tabletop games. I just had a high fantasy-themed wedding — "Dungeons and Dragons," "Lord of the Rings," stuff like that.

What did you want to be when you grew up?
An actress or ballerina or be on Broadway.

Favorite song?
"My Universe" by BTS and Coldplay.

DANIELLE LUCAS 33

Director of business development

Pie Insurance Holdings Inc.

Thousand Oaks, California

Danielle Lucas' career in the insurance industry started in 2009 when she took a job as an administrative assistant for a local agency while studying at California State University, Northridge. She continued working in the industry after graduating, eventually becoming Pie Insurance's first business development employee in 2019. Today, she manages a team of 45.

What's a lasting effect of the pandemic on the way you work?
The way we form relationships and communicate. It's not even the mechanism of how we communicate but ensuring that we're more thoughtful in the way we communicate. We have to be more mindful of the dialogue and the point that we are trying to get across.

What's your advice on navigating the current insurance market?
Make sure you're staying on top of the trends that are going on in the industry, specifically the trends around technology. We, as a society, have higher expectations around speed and instant results, so our customer base is going to have the same needs.

What's a problem that needs fixing in your sector?
We are doing a disservice to our customer base because of the lack of scalability within our industry. We're finding (the industry) is not able to provide that level of shopping for coverage that customers want to see because of the lack of ability for human interaction. Being able to provide technology to support efficiency and ease of use is going to open avenues.

What is something about you that would surprise people?
I'm a triplet. Growing up there was a level of constant competition that creates an innate drive and grit that you only get from being part of a multiple situation.

Favorite hobby or pastime?
Getting out in nature. I'm an animal lover as well, so hiking with my dog or getting on the trails with my horse.

RACHEL MAZIE 31

Vice president, account executive

Lockton Cos. LLC

Los Angeles

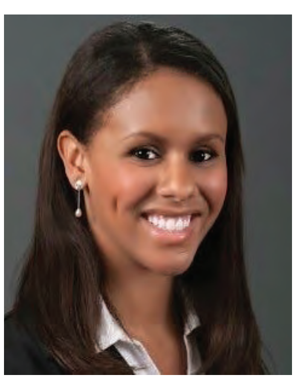
Rachel Mazie was drawn into the insurance industry through a college internship in Lockton's London office that allowed her to strategize with different teams and get to know clients. She went on to spend four years on Lockton's international team and moved to the commercial insurance domestic team in 2016. In 2020, she was promoted to vice president.

What's your advice on navigating the current insurance market?
Transparent, open communication and proactive strategy are critical for brokers in a hard market or otherwise. The hard market accentuated the importance of truly knowing clients as far as their goals, their exposures and risk management programs and being able to relate that in a meaningful way for underwriters was super important. As we're seeing a transition out of the hard market, my advice is to maintain the important momentum of deeply understanding the client's business to continue bringing fresh ideas.

What's a problem that needs fixing in your sector?
We're facing an industrywide generation gap. We're seeing staff shortages for claims professionals, loss control engineers, and at my firm it seems like we can't hire fast enough to keep up with our growth. In addition to succession planning, I think we have a lot of work to do with engaging and mentoring the next generation of industry professionals.

What should the industry do to attract more young people to work in it?
Insurance needs some PR help. It feels like a secret industry where people arrive on accident and stay on purpose. Internship and recruitment outreach could really be infused with new energy, enticing projects and an emphasis on opportunities across the globe.

Favorite hobby or pastime?
I love being out in the water — paddleboarding, kayaking, sailing — all the water things.



ERIN PARKER 32

Vice president, deputy commercial insurance manager

Chubb Ltd.

Los Angeles

Erin Parker has moved up quickly in the industry since she started in insurance in 2011. She joined Chubb in 2015 and, after multiple promotions, serves as deputy commercial insurance manager of the Los Angeles office. She is also actively involved with developing the risk management minor program at her alma mater, the University of Southern California. "I love working with my alma mater and discussing career opportunities with the students," she said.

What's a lasting effect of the pandemic on the way you work?
My time management. I had never really thought to schedule time for myself before.

What's your advice on navigating the current insurance market?
Having a solid network is one of the most important ways. I'm still in touch with colleagues I met when I first started my career. I'm able to ask them for advice, discuss our interests and share challenges in the marketplace.

What's a problem that needs fixing in your sector?
There are so many retirements happening in this industry, and we need new talent to come in, train and learn the industry.

What should the industry do to attract more young people to work in it?
Engagement at the college level is the best course of action. When students have the opportunity to understand what we do and experience it firsthand through working with us and internships, it makes the industry feel more personal.

What did you want to be when you grew up?
I always thought I would be in technology and be like my parents in a programming or engineering role. I watched them work during an exciting time while growing up in Silicon Valley.

What is your favorite song?
"September" by Earth, Wind & Fire.

LEANNA PEPPERCORN 29

Casualty adviser

Marsh LLC

San Francisco

Leanna Peppercorn's experience in the insurance industry began eight years ago with Marsh's Talent Recruitment Accelerated Careers program, where she worked on one of the first insurance programs for ride-share companies. Being part of creating insurance for the new industry helped shape how she views the role of insurance. Today, she is the lead casualty adviser for complex accounts across multiple industries, handling both complex casualty and affinity programs.

What has been the lasting effect of the pandemic on the way you work?
I don't think I'd be the only one to say Zoom- and call-fatigue is very real… I've seen people respond very positively to clearly written and concise emails versus taking up their time. I'll continue to use all types of communications going forward, but I'm not going to put pressure on myself to get on people's calendars and hold every single discussion live. A clear and well-written email is going to be the way of the future as our industry becomes more casual because of the pandemic.

What's your advice on navigating the current insurance market?
Don't be afraid to ask questions and challenge the status quo if you think you have a good idea — and see it through.

What should the industry do to attract more young people to work in it?
Investing in educating young people on what we do, ideally as far back as middle and high school. Young people see silly personal lines insurance commercials with songs and spokespeople, and that's not what we do. It really is such an interesting and dynamic industry, and there are so many career paths and opportunities.

What is something about you that would surprise people?
I had traveled to all seven continents by the age of 14.

Favorite song?
"Don't Stop Believin'" by Journey — it's my go-to karaoke song.

RACHEL ROSSINI 29

Product manager, cyber and technology, Americas

Axa XL, a unit of Axa SA

Los Angeles

Rachel Rossini's interest in insurance was piqued after she landed an internship at a wholesaler while an undergrad at Villanova University. The ability to travel while learning different lines of underwriting appealed to her, and in 2014 she joined the graduate training program at Hiscox. She moved quickly into cyber, and in her current role at Axa XL manages an $80 million to $90 million book of business.

What's your advice on navigating the current insurance market?
In cyber, we're seeing rate increases averaging about 100%. There's a lot of claim activity; things are changing all the time, and emotions are heightened. What I've found to be successful is to take a step back and put yourself in the shoes of either the broker or client you are working with well before you have to make any decisions.

What's a problem that needs fixing in your sector?
In the cyber sector, a big problem is data collection, quality of data and data sharing. Cyber is a newer product, so you're not going to have the same actuarial data to work from as other lines of business. There's a huge opportunity to work together for a common cause to protect our clients and the world in general from hackers.

What should the industry do to attract more young people to work in it?
Diversity and inclusion, and really investing in D&I is important. Seeing representation, whether it's gender, race, ethnicity, is key to attracting more people into the industry.

What is something about you that would surprise people?
Fun fact: I used to be a hand model in college. I found it randomly on Craigslist and always thought I had nice hands, so I went for it. I had a fairly lucrative, yet short-lived hand modeling career.

Favorite hobby or pastime?
Volunteering at animal shelters and fostering kittens is something that I love doing.

CLAIRE TORKINGTON 35

Senior vice president and team leader

Aon PLC

San Francisco

Born in Mexico City to a Mexican mother and English father, Claire Torkington traveled widely as her father's job took the family around the world. She continued the international theme with her education, gaining a master's at Edinburgh University before taking an underwriting job in London. She moved back to the U.S., gained an MBA and in 2017 moved over to the brokerage side with Aon, where many of her clients are in life sciences and technology.

What's your advice on navigating the current insurance market?
Focus on both the hard skills and the soft skills. Build as much knowledge as you can, whether it's just listening to conversations with senior individuals within your firm or externally, and getting those hard knowledge skills. But, with the reduction in travel, building relationships is more important than ever. We are still a very relationship-focused industry and, even if you can't meet someone in person, being able to pick up the phone and have a conversation becomes very important.

What's a problem that needs fixing in your sector?
The industry has done a lot in terms of diversity and inclusion, but it's an area that needs to be focused on and highlighted. Aon, for example, has a wonderful apprenticeship program, which is incredible in terms of building that pipeline, but I think one of the problems that our industry continues to have is there's a lack of diversity within middle management. I've been incredibly fortunate and privileged to have wonderful mentors, but how do we continue to bring other diverse candidates into those positions?

What is something about you that would surprise people?
That I'm Hispanic, given my last name. Another little fun fact is that I have three passports: British, Mexican and American.

What did you want to be when you grew up?
A marine biologist.

SPECIAL REPORT

PUBLIC ENTITY RISK MANAGEMENT

Police liability market still tough for buyers

BY JUDY GREENWALD
jgreenwald@businessinsurance.com

INSIDE

Two years after the murder of George Floyd by a police officer and the nationwide turmoil the killing sparked, the law enforcement liability insurance market, which was already hardening, remains challenged, and many experts say it is unlikely to dramatically change any time soon.

Signs of a moderation are beginning to show, though, due to efforts to reform police department policies and procedures, some say.

Legislative efforts to reform police liability, such as a Colorado law that calls for police officers to pay 5% of any jury award against them up to $25,000, have failed to gain much traction elsewhere (See story page 33).

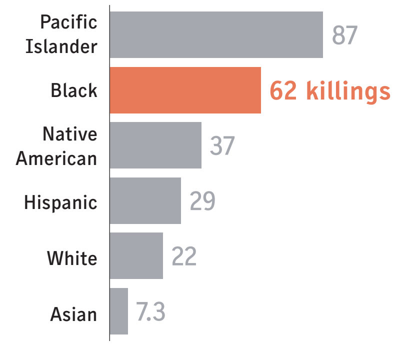
Mr. Floyd, a 46-year old African-American, died in Minneapolis on May 25, 2020, after Derek Chauvin, a white police officer, was filmed kneeling on his neck for about nine minutes. The incident led to protests in numerous cities. Mr. Chauvin was later found guilty of second-degree murder and sentenced to 17 to 21 years in prison.

The law enforcement liability market has been further aggravated by so-called nuclear jury verdicts, civil unrest, the

Reuters

BLACK PEOPLE ARE 2.9X MORE LIKELY TO BE KILLED BY POLICE THAN WHITE PEOPLE IN THE U.S.

Police killings per 1 million people in the U.S. (2013-2022)



Source: mappingpoliceviolence.org

> "The reality is, what's driving underwriters' perspective seems to be the huge level of uncertainty."
>
> Jose Peralta, Aon

pandemic and the social environment.

Police liability has always been challenging and a loss leader in the Public Entity space due to the many exposures that come with operating a police department such as the police force, jail and vehicles, said Adam Mazan, Newport Beach, California-based vice president in the casualty practice of Risk Placement Services, a unit of Arthur J. Gallagher & Co. He said the market has become more challenging due to police-related incidents posted on social media and front and center in the news, driven by the use of body cameras and cell phones.

"The situation is still tenuous," said Sandra McFarland, New York-based senior vice president in Marsh LLC's U.S. public entity casualty placement practice. "We are still seeing reduced capacity," which is contingent on the client's location and size, she said.

Ms. McFarland said there is about $5 million in limits available for law enforcement coverage from individual insurers, and entities seeking higher limits must use multiple insurers, which are offering less capacity than they did previously.

Small municipal government organizations have been successful in obtaining coverage through pools, and most public entity insurers are still offering law enforcement liability as part of an overall integrated program, but larger cities have some difficulty in securing capacity, Ms. McFarland said.

Robert Bookhammer, Dallas-based senior vice president for USI Insurance Services LLC, said that in one recent case "we're having to bifurcate" the law enforcement coverage from the public entity package.

Rates and restrictions are increasing, and "there seems to be fewer and fewer markets that are willing to write it," a trend that has continued since 2020, said Jose Peralta, Washington-based managing director, U.S. public sector and national practice leader, commercial risk, at Aon PLC.

"The reality is, what's driving underwriters' perspective seems to be the huge level of uncertainty," he said. In the current environment, settlement and jury awards are hard to predict, he said.

In Washington, recent state court rulings have led to more cases being filed in state rather than federal court for police liability claims, where plaintiffs face fewer challenges, said Ann Bennett, executive director of the Tukwila-based Washington Cities Insurance Authority, a risk pool that self-insures the first $4 million of each loss for its members, then reinsures above that.

Meanwhile, the social justice movement has influenced jurors' attitudes toward law enforcement, and there has been an overall increase in the frequency and severity of plaintiff claims, Ms. Bennett said.

In December, for instance, a federal jury in Austin, Texas, awarded $67 million to the family of a man who was fatally shot by police officers, according to news reports.

The Washington Post reported in March that more than $1.5 billion has been spent to settle claims of police misconduct involving thousands of officers who have been repeatedly accused of wrongdoing. The newspaper's investigation covered more than 7,600 officers for whom payouts had been made more than once.

The market remains very firm, said Mark Dillard, president of Richardson-based Public Risk Underwriters of Texas, which is a managing general agency for QBE North America.

"We are pushing rate on every renewal. It's a function of their loss experience," training, and policies and procedures, he said.

"Any account that has demonstrated a propensity for frequency is going to be looking at double-digit" rate hikes and higher retentions, Mr. Dillard said.

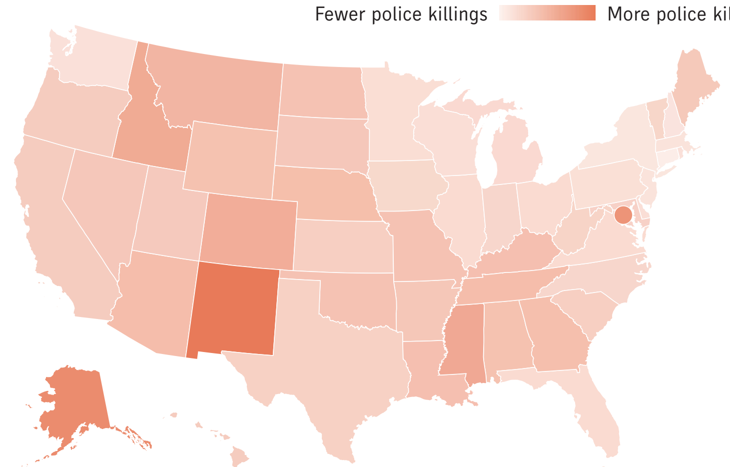
In addition, most insurers still in the market are asking for much more information on coverage applications, Mr. Peralta said.

But the market is "marginally" better than it was during most of 2021, said John Klecha, Meriden, Connecticut-based national public entities prac-

See **POLICE** page 35

POLICE KILLINGS IN THE U.S. PER CAPITA — BY STATE

Police killed people in all 50 states and the District of Columbia in 2021.



Source: mappingpoliceviolence.org

Laws removing officers' immunity remain limited to a few states

Considerable attention was paid to a 2020 Colorado law that removes police officers' qualified immunity, but it has gained little traction elsewhere.

Among its provisions, the Enhance Law Enforcement Integrity Act removes qualified immunity in cases in which police officers are charged with wrongdoing and makes them pay 5%, or up to $25,000, of judgments against them.

While Connecticut, New Mexico and New York City — in addition to Colorado — have approved measures to modify police officers' qualified immunity, the concept has not been adopted so far elsewhere, including on the federal level, experts say.

The Connecticut and New Mexico laws permit people to sue police officers for violating their rights under their respective state constitutions. New York City's law allows citizens to sue police officers for excessive force or unlawful searches and seizures.

"I think people are looking to Colorado to see how it plays out and whether it should be part of the criminal justice reform agenda," said Deborah A. Ramirez, a law professor at Northeastern University School of Law in Boston, who says police officers should purchase their own personal liability coverage.

Sandra McFarland, New York-based senior vice president in Marsh LLC's U.S. public entity casualty placement practice, said, "The truth of the matter is, claims are always paid by public entities."

Requiring police officers to pay part of the liability awards against them "could really discourage them from taking the position," she said.

Judy Greenwald

SPECIAL REPORT

Rise in litigation tests public entity market

BY GAVIN SOUTER
gsouter@businessinsurance.com

Public entity risk managers continue to face difficult liability renewals as insurers increase rates, curb capacity and restrict coverage.

Concerns over increased litigation, such as historic sexual molestation claims against educational institutions and municipalities, failure to educate claims and transgender accommodation-related lawsuits against schools, and police and public official liability claims against cities are making it harder to place insurance programs, experts say.

While some new capacity is becoming available, several insurers have pulled back from a market that had already seen a contraction in capacity, they say.

> "Public entity is one of the hardest and tightest corners of the market."
>
> Ben Merris, CRC Insurance Services Inc.

To navigate the difficult environment, risk managers should start renewals early, ensure they have all the information insurers require and consider new program structures, they say.

"Public entity is one of the hardest and tightest corners of the market," said Ben Merris, Essex, Connecticut-based senior vice president, director of public entity, at wholesale brokerage CRC Insurance Services Inc.

The market has improved slightly from 2021, but it is still tough for buyers, said Megan Medrano, Los Angeles-based West Coast region vice president for Marsh LLC's education and public entity casualty placement team.

"We're still definitely challenged with fallouts from the pandemic, from civil unrest, and also from natural disasters," she said.

Reductions in primary capacity have led buyers to rely more heavily on excess capacity, which is more expensive.

"We tell people when we're looking at their renewals that they're definitely going to see in their primary liability limits 15% to 25% increases, and in the excess layers you can see anywhere from 30% to 40%," Ms. Medrano said.

Increasingly, public entities buying coverage in the private market are looking to transition to public entity pools to access capacity, she said.

This year, rates are still increasing, but unless an account has a significant issue, "the chances are they will be moderate rather than ridiculous," said Steve Levene, Greenwich, Connecticut-based executive broker at EPIC Insurance Brokers & Consultants, which focuses on large public entities and pools.

Rates had previously increased more substantially as court settlements and verdicts have risen, so a 10% increase this year is coming on top of sometimes a doubling of rates over the past couple of years, he said.

In addition, concerns over the actions of police officers have led to the imposition of sublimits on police liability risks (see story page 32) and sexual abuse allegations and settlements have made sexual abuse and molestation coverage difficult to find for public entities, Mr. Levene said.

The opening of revival windows for abuse lawsuits has led to a surge in molestation claims, which, in turn, has led to big increases in the cost of coverage, said Mr. Merris of CRC.

Increasingly, insurers are carving out SAM coverage from general liability policies and offering much lower limits for the risk, Ms. Medrano of Marsh said.

In addition, the tight labor market, which has led to a reduction in experienced staff, has created problems for errors and omissions coverage for school leaders, said Doug Manwaring, Cincinnati-based chief underwriting officer for public entities at Liberty Mutual Insurance Co., whose book is about 80% educational institutions and 20% government entities.

"It takes time and resources and commitment to train new staff coming in to understand things like individual education programs and how to address those with parents," Mr. Manwaring said.

In addition, frustrations with virtual learning environments during the pandemic and increased friction over the

Cat exposures, valuations complicate property renewals

BY CLAIRE WILKINSON
cwilkinson@businessinsurance.com

The commercial property insurance market remains challenging for public entities.

While rate increases are slowing, double-digit hikes are still likely for local governments and municipalities with catastrophe losses and exposures.

Underwriters' scrutiny of property valuations also continues to be intense, as inflation puts pressure on insurable values, experts say.

The past few years have seen numerous catastrophes, such as hurricanes, wildfires, and the pandemic, said Marcus Henthorn, managing director, public sector and K-12 education, at Arthur J. Gallagher & Co. in Rolling Meadows, Illinois.

Abnormal weather in the central United States, specifically related to convective storm, is a major factor in the property insurance market, he said.

"We are continuing to see rate increases, changes in terms, and creativity as it relates to structures," Mr. Henthorn said.

High-quality risks see lower rate hikes, with flat to 5% increases, said Brian Dove, Dallas-based national real estate practice leader at USI Insurance Services LLC. "We're not seeing the increases we saw in 2020 and 2021," he said.

But catastrophe-exposed public entity risks are under stress as the cost of capacity continues to rise. Many of those buyers are purchasing less limit than in the past, Mr. Dove said.

"Is that a good decision from a budget perspective? Yes. But maybe not from a risk perspective," he said.

One of the challenges public entities face is that some, such as school districts, may have a large footprint and roof area exposed to tornadoes and convective storms, for example. Roof maintenance, and the age of roofs will factor into the pricing and capacity, Mr. Dove said.

Twane Duckworth, managing director, risk management, for the city of Garland, Texas, and a Risk & Insurance Management Society Inc. board member, said the market has shifted from a more relaxed outlook at the start of the year to one of steady, if not continuous increases.

"Double-digit increases are not out of the norm when it comes to property," he said.

Garland's property program, which renews Oct. 1, has about $1.5 billion in total insured value, a large portion of which is skewed towards its utility assets, he said. All the property is concentrated within 56 square miles.

Mr. Duckworth's plan is to communicate with underwriters about the municipality's relatively low loss history and the composition of its facilities being insured. A comprehensive appraisal of its assets has also been performed, with the report to follow, he said.

"I paid several tens of thousands of dollars to have all of our water and utility plants appraised. I wanted to make sure there was integrity and credibility within my replacement cost values so that the insurers could feel confident that what they are underwriting is an appropriate amount for a fair premium," he said.

Insurers are focused on valuation, inflation and accurate data as it relates to property schedules, Mr. Henthorn said.

"Carriers may not be coming to you trying to get all of the increase in rate. They may be coming to you saying, 'As a result of inflation, inaccurate data, you appear to be 10%-20%-30% underinsured as it relates to valuation,' which makes appraisals so much more important," he said.

For municipalities with historic buildings, such as cities in the Northeast, valuation issues are even more focused, Mr. Dove said.

In the case of a loss, cities may not be able to source materials of like kind and quality to rebuild, he said.

Maintaining accurate valuations is a concern, especially given supply chain challenges, Mr. Duckworth said. Construction materials and labor costs can change radically from the start to the end of a building project, so in the case of a property loss, if an appraisal was done three to five years ago, replacement costs may be significantly higher than expected, he said.

rights of transgender students have led to more legal disputes with schools, he said.

"The environment is creating more uncertainty, and the greater uncertainty is putting pressure on pricing," Mr. Manwaring said.

Insurers pull back

Several insurers that previously covered public entities have pulled out of the market, while others have cut back capacity.

Last year, Trident Public Risk Solutions, a unit of Avon, Connecticut-based Paragon Insurance Holdings LLC, cut its excess liability capacity for public entities. The insurer continues to offer primary coverage and is "working with carrier and reinsurance partners to re-establish the capacity needed to meet the needs of our public entity customers," a spokesman said in an email.

This year, Plymouth, Minnesota-based Intact Insurance Group USA LLC announced it was not renewing public entity business.

In addition, Chicago-based Allied Public Risk LLC curtailed its public entity coverage this year while it makes new arrangements with reinsurers, sources say. Homesite Group Inc. is now supporting the Allied program, but it excludes police liability, they say. The companies did not respond to requests for comment.

In addition, other insurers have withdrawn capacity from certain states, such as California and Washington, where claims have escalated, sources say.

While some domestic excess insurers — such as Upland Specialty Insurance Co. and Applied Underwriters Inc. — and insurers and reinsurers in London and Bermuda have entered the U.S. public entity insurance market over the past two years, the inflow does not make up for the withdrawn capacity, sources say.

"There are some new entrants; however, the amount of capacity they're providing is not significant enough to change the whole tower," said Mr. Merris of CRC.

Renewal strategies

Brokers always ask policyholders to provide renewal information early, but this year it is "critical," Ms. Medrano said. Policyholders should also be aware that their program structures are likely to change because the market is so fluid, she said.

Buyers should also be able to demonstrate they have policies and procedures in place to deal with concerns, such as how they intervene with parents over potential failure to educate claims against schools, and that they have an organizational commitment to the policies, said Mr. Manwaring of Liberty Mutual.

Policyholders can also work through the difficult market by restructuring their programs to include additional self-insured retentions higher in their coverage towers, Mr. Merris said.

"We had a couple of placements in the past year where we put a retained limit form on top of another retained limit form," he said.

POLICE

Continued from page 33

tice leader and president of Connecticut operations for USI.

While the public entity insurance sector cut some capacity, insurers are being less aggressive regarding rates and terms and conditions, but the risks are still being scrutinized, he said. Rates are increasing about 10% to 30%, he said.

"Definitely, we're starting to see some market stabilization," which is a change from the "very tumultuous" previous two years, said Thanh Hoang, Concord, California-based senior vice president and public entity risk solutions underwriter with Munich Re Specialty Insurance.

"We're starting to see less program restrictions and fewer dramatic rate changes," although coverage will depend upon loss experience and jurisdiction, with the focus on entities' individual characteristics, Mr. Hoang said.

Insurers are taking less of a blanket approach to renewals this year, said Brian Frost, Woodland Hills, California-based executive vice president for Amwins Inc.

Insurers "still writing law enforcement at this point are comfortable with it but are being picky about it" and may be asking more questions, said Timothy Staunton, Chicago-based vice president of wholesale broker Apex Insurance Services.

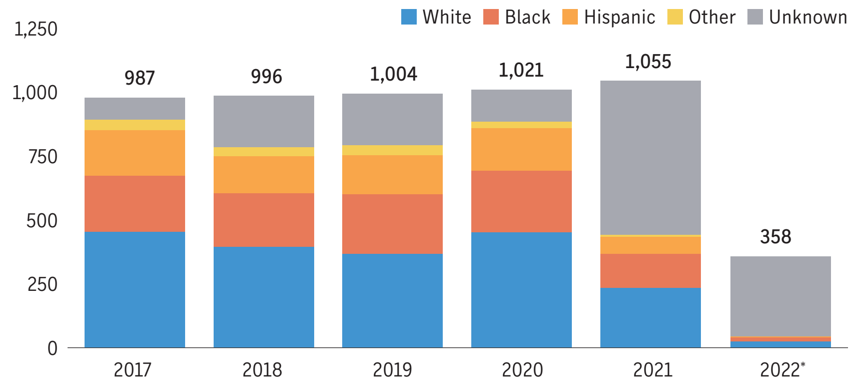
The outlook is for more of the same.

"It's going to remain firm," Mr. Dillard said. Demonstrations, civil unrest and allegations of excessive force by police officers still deter some underwriters.

Bob Saville, founder and president of Norcross, Georgia-based Saville Public Entity, a wholesaler, said, "My hope is that the policies and procedures firm up with the law enforcement agencies and they swing into compliance with the underwriting guidelines, and you see a reduction in the losses."

But claims are being impacted by higher awards and settlements "so I don't see any relief in sight in the near future," he said.

PEOPLE SHOT TO DEATH IN THE U.S. BY POLICE — BY RACE



Source: Statista Inc.

*As of May 6, 2022

POLICE RISK MANAGEMENT

Experts say steps law enforcement agencies are taking to reduce their liability include:

- Training in the use of body cameras
- Introducing traffic stop protocols
- Having legal departments periodically review policies and procedures, and retaining defense attorneys or use-of-force experts to conduct seminars on changes to the law
- Addressing high-speed chases
- Developing policies on the use of tasers
- Communicating with the public through social media on high-profile incidents and explaining the next steps they plan to take in their investigations
- Working with social service workers to de-escalate situations, including establishing mental crisis response units
- Having jail systems take steps to review inmates' medical conditions and hiring medically trained vendors to manage those conditions

Source: *Business Insurance* interviews

POLICE CHANGING PROTOCOLS TO REDUCE LIABILITY EXPOSURES

Police departments are updating policies and procedures and addressing issues such as high-speed chases and body camera policies, which should improve their risk profiles, experts say.

But a lingering problem is their ability to recruit good law enforcement candidates, which has been hampered by the negative publicity associated with police treatment of unarmed suspects, including George Floyd in 2020.

Police departments are introducing measures including training in the use of body cams and traffic stop protocols, and having their policies and procedures reviewed by legal departments every two years, said Thanh Hoang, Concord, California-based senior vice president and public entity risk solutions underwriter with Munich Re Specialty Insurance.

Robert Marinelli, risk control manager for Avon, Connecticut-based Trident Public Risk Solutions, a unit of Paragon Insurance Holdings LLC, said police departments "seem willing to look at their deficiencies" and to address local issues, including high-speed chases and the use of tasers.

"We're seeing a lot more departments moving toward social media to provide swift and concise information" related to high-profile incidents, showing camera footage to the public, and explaining the next steps they plan to take in conducting their investigations, he said.

"That goes a long way when the time comes to avoiding" liability, he said.

Efforts to address the use of force include having social service workers work alongside police department personnel to de-escalate some situations, said Sandra McFarland, New York-based senior vice president in Marsh LLC's U.S. public entity casualty placement practice.

Mark Dillard, president of Richardson-based Public Risk Underwriters of Texas, a managing general agency for QBE North America, said the "old guard" of police officers is being replaced by younger people, who have a better sense of their reputations, and are willing to adopt what are considered today's best practices.

But recruitment is an issue. Jose Peralta, Washington-based managing director of the U.S. public sector at Aon PLC, said hiring was already difficult, and bad publicity associated with recent incidents constrains the number of candidates interested in applying.

Judy Greenwald

SPECIAL REPORT

Risk managers await guidance on cannabis

BY MATTHEW LERNER
mlerner@businessinsurance.com

As more states legalize medical and recreational cannabis, risk management professionals in municipal and educational settings face numerous new issues but have been provided with little guidance on how to address them.

Concerns over how use of cannabis by off-duty police officers might affect their on-duty performance is a prime concern.

In addition, cannabis remains illegal under federal law, classified as a schedule 1 narcotic by the Drug Enforcement Administration, which creates additional uncertainty for risk managers in states where the drug has been decriminalized.

In 2012, Colorado and Washington were the first states to decriminalize recreational cannabis. On April 22 of this year, New Jersey became the latest state to allow the use of cannabis by people over 21, granting so-called recreational licenses to 13 existing medical dispensaries in the state.

"It's a real challenge," said Mark Turkalo, national education and public entity placement leader for Marsh LLC in New York. "How do you operate? How do you react to something for which you literally have two opinions?"

From land use and environmental issues to policies for municipal employees, many municipalities are grappling with new and unanswered questions.

"Our messaging has been telling clients to be very cautious until further clarification is given," said Edward Cooney, partner, senior account executive, underwriting manager public entity practice, for Conner Strong & Buckelew in Parsippany, New Jersey. Mr. Cooney is underwriting manager for New Jersey's Municipal Excess Liability joint insurance fund, which covers nearly 700 municipal entities in the state.

Sue Sharpe is a senior associate with Dorsey & Semrau LLP, a law firm in Boonton, New Jersey, that works with the MEL. The current situation is like being in "a holding pattern and hoping further guidance comes along. We're just all assuming … there will be further guidance."

Some guidance on how to handle the use of cannabis by municipal employees could come in the form of New Jersey Senate Bill 2656, said Paul Shives, vice president, safety services, with J.A. Montgomery Consulting in Parsippany.

The bill, which "concerns use of cannabis by certain law enforcement officers during non-work hours," is sponsored by Sen. Paul Sarlo, a Democrat, and was introduced in May. It has been referred to the Senate Law and Public Safety Committee.

"Under the provisions of this bill, an employer is prohibited from taking any action which has the effect of prohibiting an employee from using cannabis items during non-work hours except when the employee is a law enforcement officer and the duties of the employment require the possession of a firearm," the legislation says.

> "It's a real challenge. How do you operate? How do you react to something for which you literally have two opinions?"
>
> Mark Turkalo, Marsh LLC

In addition to employee concerns, there are environmental issues associated with the growing cannabis industry, said Rich Erickson, senior associate with First Environment Inc., a consulting firm in Butler, New Jersey. "These are big facilities in small towns," he said, which bring with them issues including those surrounding odor, water and solid waste disposal.

Neighbors of cannabis facilities may dislike the odor or activity associated with them, which can lead to land use issues in court.

"It's the world of unintended consequences. You have legislation go into effect and there are a slew of consequences you don't realize until they're in front of you," said Ms. Sharpe of Dorsey & Semrau.

Given the value of the crops, disputes over issues such as land use, which can cause a business to halt or alter operations and lose income, could become costly, Mr. Cooney said.

Along with municipalities, educational institutions are also grappling with emerging cannabis legislation and the drug's legalization.

Ike Jenkins, director of risk management for the University of Delaware and the chair of the RIMS 2023 annual conference programming committee, said, "The receipt of federal research grants requires compliance with federal regulations" and that such criteria "may be inconsistent with newly adopted legislation. Universities will need to carefully evaluate their position and policies in light of conflicting federal and state legislation."

Mr. Turkalo said such federal funding is often "key to the operation of many institutions" which could be directly affected by the financial ramifications of not adhering to federal guidelines.

Mr. Jenkins added that higher education institutions continue to be bound by the federal Drug-Free Schools and Communities Act of 1989 and federal law continues to outlaw marijuana. "Regardless of what state laws say, many universities will continue to prohibit marijuana use on campuses," he said.

CANNABIS TESTING CAN BE COMPLEX, INACCURATE

Testing for marijuana impairment is one of the bigger challenges brought on by state decriminalization of adult cannabis use.

Unlike alcohol, for which both standards and a technology solution exist in the form of the breathalyzer, testing for the presence of or impairment by cannabis is more complex.

"It's not just a breathalyzer as with alcohol, an easy test. With cannabis, it's a urine sample. It's a much more invasive way of testing and it's not immediate," said Mark Turkalo, national education and public entity placement leader for Marsh LLC in New York.

There is also evidence that cannabis differs from alcohol in terms of impairment.

The National Institute of Justice, part of the U.S Department of Justice, supported researchers from RTI International, a research nonprofit, to study how levels of tetrahydrocannabinol — which produce the cannabis "high" — in the body correlate with performance on impairment tests and concluded that THC levels in biofluids were not reliable indicators of marijuana intoxication for study participants.

The researchers reported that the one leg stand, walk and turn, and balance tests were not sensitive to cannabis intoxication for any of the study participants.

A December 2021 University of Sydney study, which analyzed available studies on the relationship between driving performance and concentrations in blood and saliva of THC, showed results indicating that blood and oral fluid THC concentrations are relatively poor or inconsistent indicators of cannabis-induced impairment.

"Higher blood THC concentrations were only weakly associated with increased impairment in occasional cannabis users while no significant relationship was detected in regular cannabis users. This suggests that blood and oral fluid THC concentrations are relatively poor indicators of cannabis-THC-induced impairment," said study lead author

Danielle McCartney from the Lambert Initiative for Cannabinoid Therapeutics.

The lack of both rapid test technology and a reliable standard defining impairment may mean effective testing is still some ways off, said Paul Shives, vice president, safety services, with J.A. Montgomery Consulting in Parsippany, New Jersey. "It's going to be awhile," he said.

Matthew Lerner

Apps change dynamics of injury reporting

BY MICHAEL BRADFORD

INSIDE

As enthusiasm grows for apps that help injured workers navigate the workers comp claims and recovery processes, the technology is evolving past downloadable programs to include web-based platforms that can be accessed from a wider range of devices.

Since apps began replacing email, faxes and phone calls that helped workers move from injury to recovery, the popularity of technology that connects them with claims and medical professionals has mushroomed, experts say.

Travelers Cos. Inc. introduced MyTravelers for Injured Employees three years ago and has seen "explosive use of it over time," said Rich Ives, vice president of business insurance claims in Hartford, Connecticut. More than 145,000 injured workers are registered to use the web-based portal, he said.

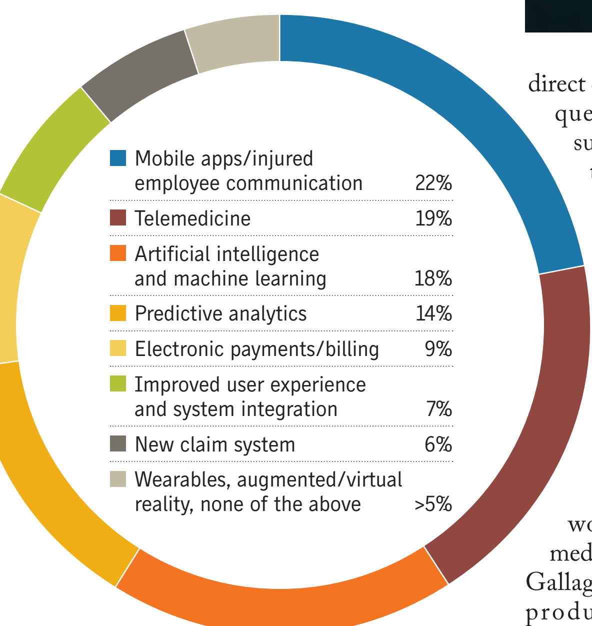
The popularity of apps is not expected to wane. A 2021 survey of 115 workers comp professionals by Enlyte Group in San Diego ranked mobile apps as the technology expected to have the biggest impact on comp over the next 10 years. It was the first time in three years that telemedicine didn't hold the top spot.

Whether injured workers use an app downloaded onto a mobile device or a web-based portal accessible from nearly any device, they are able to access a suite of services from insurers and third-party administrators that typically includes communications with adjusters and physicians, benefit payment tracking and frequently asked questions.

Texas Mutual Insurance Co. has replaced the mobile app it created around three years ago with one that can be accessed by a phone or other device, said Jeanette Ward, chief operating officer at the Austin-based insurer. The new app was created largely from input from injured workers at a time when the insurer was moving from on-premise applications to more cloud-based and vendor services, she explained.

LONG-TERM OUTLOOK

Mobile apps and other injured employee communication technologies are expected to have the biggest effects on the industry in the next five to 10 years.



Source: Enlyte Group LLC

"One of the things we realized we no longer needed to do is require anyone to download an app on their phone," Ms. Ward said. "Now we have an injured worker app that's responsive whether you're using a web portal or your phone. It's much more user-friendly."

In fact, she said of apps strictly built for use on phones, "we are seeing that going away. Things like password management are evolving as well. The whole goal is to make it as user-friendly as possible so people will want to utilize it."

When designing its smart.ly web-based platform, Sedgwick Claims Management Services Inc. decided not to create a downloadable app, said Leah Cooper, Chattanooga, Tennessee-based managing director, global consumer technology. "We found that it's much easier to get someone to a mobile accessible site than it is to download something from the store."

The smart.ly platform is the entry point for administration of Sedgwick claims, Ms. Cooper said. The injured worker is given a link to examine their claim and interact with examiners. Claimants are able to track benefit payments, enroll in direct deposit and access frequently asked questions. Another feature allows supervisors to authorize the return to work of injured employees.

Gallagher Bassett Services Inc. offers its GBGO mygbclaim as a mobile app and a web-based app to the hundreds of thousands of claimants it sees each year, according to Russell Pass, the TPA's Rolling Meadows, Illinois-based chief information officer, executive vice president of product development.

"We are focused on getting injured workers to local high-performing medical providers," said Mary Wernick, Gallagher Bassett senior vice president, product development, in Rolling Meadows. "One of the big wins are our pharmacy and medical cards. They're in the app, so they don't have to have any of the paperwork in the claim with them."

Close connections with injured workers can provide important benefits, such as preventing litigation, according to Kimberly Wiswell, Central Point, Oregon-based senior product manager, workers compensation, with Gradient AI. "Avoiding litigation is driven mainly, I think, by keeping in touch with the injured worker and bringing them more into the loop," she said.

And that close contact doesn't necessarily require an app, Ms. Wiswell pointed out. Gradient AI's risk ranking information can alert adjusters to claims that indicate injured workers may be frustrated, angry or having financial difficulties, among other issues, she said. Flagging the claim to an adjuster can set in motion the process for working more closely with the worker.

Insurers and TPAs say there likely are cost-savings from using apps, but that's an ancillary benefit.

"There are definitely efficiency savings, but that's not why we created it," Mr. Ives said of MyTravelers for Injured Employees. "If you can take some of the friction out of the process for the injured employee and provide more tools, that should help strengthen the outcome. That's the reason we did it."

"We found that it's much easier to get someone to a mobile accessible site than it is to download something from the store."

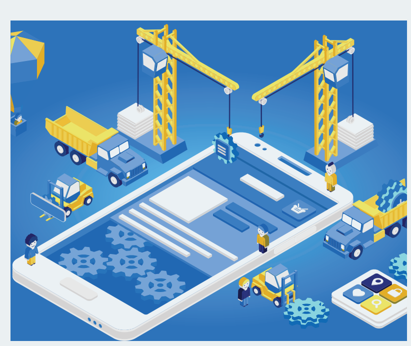
Leah Cooper,
Sedgwick Claims Management Services Inc.

"It's probably less about cost and more how our professional staff spend their time," Mr. Pass of Gallagher said of efficiency savings. Because the app provides claimants with so much information, the staff is able to focus on things that drive claims to the best possible outcome, he said.

Insurer finds demographic profiles of users of injured workers portal defy expectations

Using apps and other technology to manage worker injuries doesn't appeal only to tech-savvy young workers, as Travelers Cos. Inc. discovered when it began offering its web-based portal MyTravelers for Injured Employees.

"We thought there was a younger age demographic that would want this," said Rich Ives, vice president of business insurance claims at Travelers in Hartford, Connecticut. "And one of the surprises that we learned was that demographics of all ages not only wanted the tools, but utilize them just as much."



Travelers found that usage of MyTravelers for Injured Employees, which is not mandatory for injured workers, closely mirrored "the demographics of our injuries at large," Mr. Ives said. "That's been an interesting finding for us."

The largest group of 145,000 workers using the tool — 65% — are ages 25-34, with workers older than 55 making up 45% of users.

Gallagher Bassett Services Inc. sees about 20% of its claimants using the TPA's mobile app, and those tend to be younger workers, said Russell Pass, Rolling Meadows, Illinois-based chief information officer, executive vice president of product development. Another 20%, generally older, prefer the web-based app and the remainder, who tend to be the oldest claimants, are sticking with the traditional telephone-based process, he said.

Michael Bradford

SPECIAL REPORT

Courts address claims with successive injuries

BY SHERRI OKAMOTO

Supreme Courts throughout the country this spring addressed statutory considerations for workers compensation claims that deviate from typical patterns and involve successive injuries.

High courts tackled questions about statutory deadlines for claims alleging multiple injuries and the effects of preexisting conditions on subsequent injuries. They also examined how a multiplier for people who can't return to their at-injury employment as the result of an injury should be applied to a claimant hurt in successive accidents.

North Carolina

Last month, the North Carolina Supreme Court in *Cunningham v. Goodyear Tire & Rubber Co.* addressed the timeliness of a worker's claim for benefits from one of the multiple injuries she suffered.

Doris Cunningham injured her back twice in 2011. She filed workers comp claims for both injuries and settled both claims. In May 2014, Ms. Cunningham injured her back again.

She saw a physical therapist at an onsite medical facility in June 2014, then went a few months without treatment. When she returned to see the therapist in February 2015, Ms. Cunningham reported her back pain had never completely subsided since the 2014 injury and that she felt a recent increase in pain.

In April 2017, Ms. Cunningham suffered yet another back injury. She then filed workers comp claims for the 2014 and 2017 injuries.

Goodyear moved to dismiss the 2014 claim as time barred. In North Carolina, a claim must be filed within two years after the last payment of medical compensation.

A deputy commissioner agreed the 2014 claim was untimely and the Industrial Commission affirmed.

The Court of Appeals reversed, with a majority finding Ms. Cunningham's 2014 claim was timely since her April 2017 visit to the physical therapist was related to the 2014 injury, and she filed her claim within two years of that date.

The state's supreme court agreed the April 2017 visit for treatment of the 2014 injury made the claim timely.

Kentucky

In April, the Kentucky Supreme Court addressed how to apply a statute requiring permanent disability benefits be tripled when an injured worker doesn't retain

the physical ability to return to the type of work he or she was doing at the time of injury to a worker with two separate injuries.

In *Apple Valley Sanitation Inc. v. Stambaugh*, the employer argued that the multiplier should not be applied to successive injury claims if the employee had no significant change in job duties between the first injury and the second.

Jon Stambaugh suffered two injuries 85 days apart while working for Apple Valley as a garbage collector. An administrative law judge applied the three-times statutory multiplier to Mr. Stambaugh's benefits for both injuries, finding he lacked the physical capacity to return to the type of work he performed at the time of either injury.

The Workers' Compensation Board affirmed, as did the Court of Appeals and Kentucky Supreme Court.

The high court said the three-times multiplier was intended to compensate an injured worker who has a permanent alteration to his ability to labor and earn money due to his injury. The court ruled that its application depends solely on whether an employee has the physical capacity at the time of the benefits hearing to do the type of work performed pre-injury.

Given the extent of Mr. Stambaugh's injuries and the medical evidence that his injuries would prevent him from performing his job duties, the court said application of the three-multiplier was proper.

Oregon

The Oregon Supreme Court was also presented with a situation in April involving a worker with two injuries — but in *Johnson v. SAIF Corp.*, one injury was ruled compensable and the other was not.

Marisela Johnson was injured when her hand was caught in an elevator door at work. Her employer's insurer, SAIF Corp., accepted liability for a sprain of Ms. Johnson's left shoulder and trapezius, as well as an injury to the hand, but it denied liability for a rotator cuff tear, elbow sprain and forearm sprain.

A medical arbiter examined Ms. Johnson and identified a loss of grip strength. The arbiter attributed 50% of the loss of Ms. Johnson's grip strength to the hand injury and 50% to the shoulder injury that SAIF had not accepted as compensable.

Based on the arbiter's report, the Workers' Compensation Division's Appellate Review Unit issued an order on reconsideration awarding Ms. Johnson benefits for a 7% whole person impairment.

An administrative law judge overturned this decision, finding there should not have been apportionment for Johnson's loss of grip strength since her hand injury was at least 50% of the cause of her loss in grip strength.

The Workers' Compensation Board ruled that the benefits for Ms. Johnson's hand injury could not include the portion of impairment attributable to the denied claim for injuries to the left shoulder, and the Court of Appeals initially agreed.

After the Oregon Supreme Court remanded the case for reconsideration, the Court of Appeals reversed its earlier decision and ruled that when a worker's impairment is due to a combination of the compensable injury and a preexisting condition, he or she is entitled to be fully compensated for a new impairment if it is due in material part to the compensable injury, except where an employer has made use of the statutory process for reducing liability after issuing a combined condition denial.

The Supreme Court upheld the decision, concluding that a worker is entitled to benefits for the full measure of his or her impairment where the accepted conditions are a material contributing cause of the impairment as a whole.

Wyoming

Lastly, the Wyoming Supreme Court upheld a denial of benefits to a retail worker in *Boylen v. State ex rel. Department of Workforce Services*, finding she failed to prove her alleged back injury was a second compensable injury.

The decision from March involved Rhonda Boylen, a sales associate at a motorcycle dealership. In 2019, she allegedly felt discomfort in her back while moving a heavy motorcycle. She did not report the incident to anyone that day or during her next shift.

Three days later, Ms. Boylen allegedly experienced excruciating pain in her back while turning away from her kitchen sink. When she sought medical treatment, she attributed her injury to moving the heavy motorcycle at work.

Ms. Boylen filed a workers comp claim, which the Department of Workforce Services denied. The Office of Administrative Hearings upheld the denial, finding Ms. Boylen had not carried her burden of proof.

The Wyoming Supreme Court noted that a subsequent injury may be compensable when an initial compensable injury ripens into a condition requiring additional medical treatment, but in this case, since the second alleged injury occurred just three days after the first, "the second injury can hardly be described as a ripened condition from an initial compensable injury that required additional medical treatment."

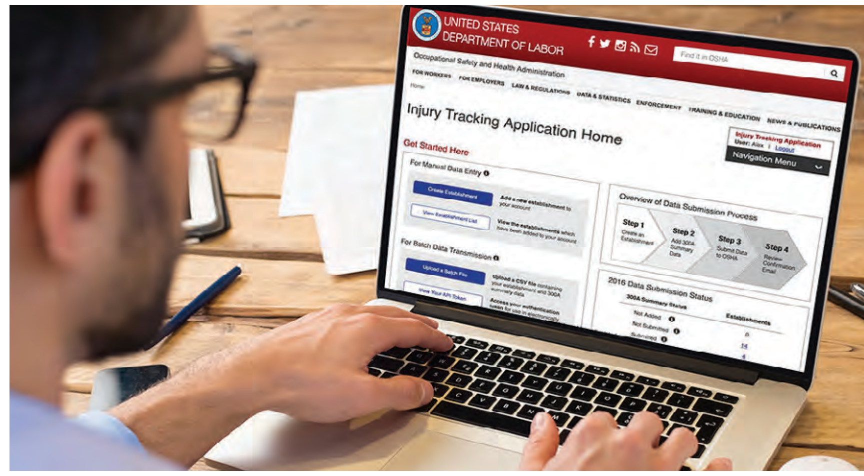
The court also expressed reservations about whether the initial injury had occurred since it went unreported, did not require treatment and was never determined to be compensable. The court also said it was clear from the record that the OAH had rejected the idea the first incident was connected to the latter.

The court said the OAH identified inconsistencies in Ms. Boylen's reports and testimony, and her expert failed to provide a reasoned medical explanation as to how she had "progressed from a minor injury, with no significant symptoms for three days, to an explosion of muscle spasms," and so substantial evidence supported the OAH's conclusion that Ms. Boylen failed to prove that her alleged second injury was caused by the first.

PERSPECTIVES

Employers could face more OSHA rules

Eric Conn is chair of Conn Maciel Carey LLP's national OSHA practice in Washington, which is organizing fee-based coalitions of employers and trade groups to prepare comments and otherwise advocate for reasonable regulations through OSHA's active rulemaking processes.



The Occupational Safety and Health Administration has been quite busy over the past few months on the rulemaking front, and it does not seem to be slowing down despite the fact that COVID-19 still sucks most of the air out of the room. Much of what is on the forefront is, however, not COVID-19 related.

Over the past six months, OSHA managed to publish a new proposed regulation to dramatically expand the requirements of its Improve Tracking of Workplace Injuries and Illnesses Rule, also known as the Electronic Recordkeeping Rule; initiate an enforcement National Emphasis Program addressing outdoor and indoor heat illness prevention; and launched a rulemaking for a Heat Illness Prevention Standard.

OSHA's E-Recordkeeping Rule has had a long and tortured history since its inception in 2016, when President Barack Obama's OSHA enacted it. As designed, the E-Recordkeeping Rule required hundreds of thousands of workplaces to, for the first time, proactively submit injury and illness data to OSHA through a web portal. In 2019, the Trump Administration amended the rule to remove the most onerous requirement: for very large establishments with more than 250 employees to submit detailed injury information from OSHA Forms 300 and 301 Incident Reports.

Fast forward to 2022 and the return of a Democratic administration, and we are seeing President Joe Biden's OSHA revisit many of the Trump administration's policies. In the context of e-recordkeeping, the new administration is not content to just reverse the Trump rollbacks but seems set on over-compensating, that is, pushing the E-Recordkeeping Rule even further than when it was first issued during the Obama administration.

> **Fast forward to 2022 and the return of a Democratic administration, and we are seeing President Joe Biden's OSHA revisit many of the Trump administration's policies.**

Specifically, under the new proposed amended E-Recordkeeping Rule, workplaces with 20+ employees in certain high-hazard industries will continue to be required to electronically submit data only from their OSHA Form 300A Annual Summary, but now, OSHA intends to require workplaces with 100+ employees (rather than the prior 250+ employee threshold) in certain high hazard industries to annually electronically submit to OSHA the information from their full panoply of OSHA recordkeeping records: 300 logs, 301 incident reports and 300A annual summaries.

As many as tens of thousands more establishments will be covered by the proposed amended E-Recordkeeping Rule — as one of the major coverage thresholds will be 100+ employees (rather than 250+) — and the scope of the data required to be submitted is significantly greater and more invasive.

The 300A Annual Summary data is pretty bare bones: just the number of recordable cases, total man hours worked, and the total number of cases meeting various recording criteria. Requiring submission of information from 300 logs and 301 incident reports means that OSHA will have custody of the details about individual recordable cases, with employee names, particulars about the parts of their bodies that were injured, information about their medical treatment — an entirely different look under the hood than the last five years under the E-Recordkeeping Rule.

This has huge implications for employee privacy, as well as great potential for harmful use of the data against employers by plaintiffs attorneys, insurance companies, union organizers, competitors, the media, etc. Moreover, OSHA intends to use the collected data to target its enforcement resources.

On the heat illness front, at the end of 2021, OSHA published in the Federal Register an Advanced Notice of Proposed Rulemaking initiating a formal rulemaking focused on "Heat Injury and Illness Prevention in Outdoor and Indoor Work Settings."

The ANPRM included more than 100 questions OSHA posed to interested stakeholders signaling a broad rule covering outdoor and indoor work settings, which likely will include provisions requiring everything from written heat illness prevention programs and engineering and administrative controls to work-rest cycles, self-pacing and paid cool-down rest breaks.

Also expected are rigid acclimatization requirements; training for employees and supervisors; physiological, medical and exposure monitoring; and emergency response plans.

While this heat illness rulemaking plays out, likely over several years, OSHA also recently launched a heat illness prevention enforcement national emphasis program.

The emphasis program addressed that same hazard for a number of industries, including general industry, construction, maritime and agriculture. This emphasis program is intended to augment OSHA's current heat illness enforcement, which to date has just involved complaints, referrals and severe incident reports. As part of the NEP, OSHA will initiate programmed (pre-planned) inspections in indoor and outdoor work settings in approximately 70 high-risk industries when the National Weather Service has issued a heat warning, alert or advisory for an area.

The NEP establishes heat priority days when the heat index is expected to be 80°F or higher, when the agency will inquire during inspections regarding the existence of any heat-related hazard prevention programs and training.

These two regulatory developments — expanding e-recordkeeping and addressing heat illness — are a clear sign that while OSHA continues to address COVID-19 in the workplace, like much of the rest of the country, the agency is also trying to move past that singular focus.

OPINIONS

COMMENTARY

Public entity risks reach new levels

Public entity risk managers are having as hard a time as any insurance buyers as they prepare for renewals. A combination of marketwide trends and sector-specific challenges has created insurance and risk management conundrums that would test even the most seasoned risk professionals.

As we report beginning on page 32, in the past couple of years, the most high-profile problem municipalities have had to face is police liability coverage. Highlighted by the chilling recording of the murder of George Floyd in 2020, police misconduct is being graphically documented with far more frequency than just a few years ago. The inevitable increase in lawsuits and claims against police departments led to severe restrictions in capacity as insurers and reinsurers cut limits or exited the market.

Other liability concerns are also testing the ability of buyers and brokers to find adequate coverage for municipalities and school districts. Increased friction between parents and teachers that resulted from virtual classes during the pandemic, fights over social issues such as the treatment of transgender students, and the emergence of historic sexual abuse claims are making already wary insurers even more concerned about the limits they offer and prices they charge.

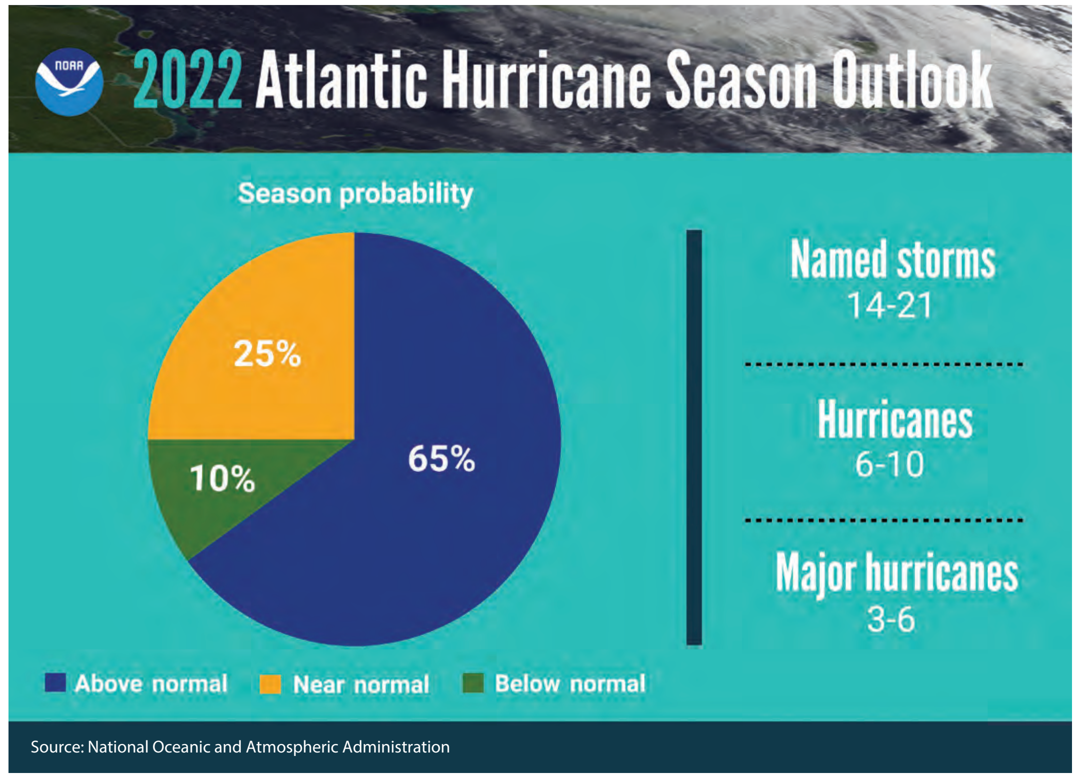
Gavin Souter
EDITOR

On the property side, things are not much better. As people continue to move away from parts of the Northeast and Midwest to areas of the country that are more vulnerable to windstorms, such as Texas and Florida, inevitably the public entities and school districts in those states grow larger and occupy more buildings. The increase in the instances of costly hurricane losses over the past three decades has been felt acutely in the public entity sector, and, looking ahead, the situation is unlikely to improve anytime soon (see chart).

While there are some signs that the property/casualty market may be stabilizing, given the economic environment, there's no reason to think that there is not more uncertainty to face in the years ahead.

To address the issues, risk managers at public entities and their brokers are having to be inventive in the way they approach their insurance programs and the resources they turn to. Like buyers in the private and publicly owned sector, they can to some extent look to self-insurance facilities. While captives are not as attractive to public entities as to private companies because they do not see the same tax benefits, municipal risk pools and other structures are gaining in popularity in the hard market.

If there is any upside to the troublesome market it would be that risk managers are likely to receive more attention as they seek to implement policies that help avoid losses in the first place. Changes in police protocols, policies to intervene in contentious school disputes, and improvements in property resilience should all be considered more seriously as ways to improve safety and save taxpayers money over the long term.



Source: National Oceanic and Atmospheric Administration

VIEWPOINT

Work environments evolve

BY CLAIRE WILKINSON
cwilkinson@businessinsurance.com

Work life and what shape it takes as we move beyond the pandemic continues to evolve. To get a sense of where it's at, we asked *Business Insurance*'s 2022 Break Out Award winners: What's a lasting effect of the pandemic on the way you work? While some of the answers were what you'd expect, others were quite surprising.

Technology has been a critical tool in the pandemic and will continue to be so, as many award winners reported. It facilitated the immediate shift to remote work and forced many to embrace the benefits of video technologies such as Zoom and Teams. While email and phone communications had been prevalent before the pandemic, many winners reported that video calls have become essential, enabling them to stay in contact, not just with colleagues, but with business partners and customers on a regular basis face-to-face.

In a relationship business, the ability to connect much more easily and efficiently with so many more people around the world is a lasting effect for many. Others noted how much more productive they can be when not hopping on an airplane every few days. Some business travel will come back, but some won't several winners suggested. Most every winner said they had become a better communicator because of digital reliance. Virtual meetings, then, are likely to continue.

But Zoom and Teams fatigue is also real. Technology that can help build relationships can also drive people further apart, and while back-to-back video calls enhance productivity, they can be time-consuming and may not be the solution to everything. As one award winner said: "I've seen people respond very positively to clearly written and concise emails versus taking up their time."

Some award winners reported that the digital shift and remote work environment have given them a newfound appreciation for in-person interactions and for being in the office. Whether collaborating with colleagues, building a team culture, or training new employees, some work may be best done in person. Onboarding new employees remotely, for example, can be challenging when they are adjusting to a new role and industry. Just because some work and training can be done remotely doesn't mean that it necessarily should. Activities like brainstorming sessions and negotiations with clients may lose some of their effectiveness when done remotely. And whatever happened to the impromptu conversation over coffee?

A key takeaway from this year's winners may be that building sustainable personal connections, whether in-person or remotely, will continue to be an important part of the industry.

Having a nimble and flexible approach is another important hallmark. Many honorees said they appreciated the fluidity that remote and hybrid work models have introduced. As one honoree said: "Previously, you would want to wait until everyone was together to knock something out. Now, the world is your oyster, no matter where anyone is geographically."

That adaptability and flexibility, not to mention resilience, have carried this year's cohort of winners along their already impressive career paths through one of the most unpredictable events in the industry's history. Perhaps a lasting effect of the pandemic on the way they work is that there is no one-size-fits-all approach.

The forecast for loss reserving

Actuarial work is exhilarating, and reserving, especially so. But let's not pretend that insurance loss forecasting inspires excitement in everybody. In fact, when compared with pricing or data science, the reserving function comes across as staid, more … reserved.

Why is that? Well, unlike other actuarial practice areas that are more commonly perceived to foster experimentation and innovation, reserving teams are weighed down by the need to understand not just the current state of a company's financials but also how those financials have changed over the past quarter and why. This is not dissimilar to the way that luxury watch brands view time-tested designs of the past with all the benefits of modern technology. Rolex's contemporary Submariner timepiece, for example, is almost indistinguishable in design from its 1953 predecessor, yet the demand is just as high. Its value is in its appearance rather than the inner workings, which are more state-of-the-art. For actuarial teams, this demand for consistency in models and approaches imposes a similar inertia that appears — at first glance — to inhibit genuine innovation.

This is not to say that stability isn't important: Insurers are not looking for their financials to be disrupted on a constant basis, and some stability in a world of uncertainty is appreciated. But using judgment to gloss over what data is saying is potentially worse than pretending something isn't happening — it's hiding it.

The work of a reserving team is to forecast. While they are never going to be 100% right in their analysis and results, they can reduce the noise, become more transparent in their underlying assumptions, and communicate them in easy-to-understand everyday language.

The reality, obviously, is far more nuanced. Some signals should be ignored as the noise that they are, but trends such as the potential impact of inflation and rising costs, or sudden changes in policyholder behavior, which are likely to shape or impact the future of the insurance industry, cannot be ignored in the reserving process. It is these trends that we need to address by channeling our most important resource: our judgment. Equally as important is the need for transparency in how that judgment has been applied and why.

Further weighing down the speed of innovation is the need to report clearly, not just on the results but also on the bones of an analysis to an audience of non-technical stakeholders. Any enthusiasm to use elegant but complicated models based on vast sets of individual claims data can be dampened somewhat when

actuaries are asked to "print the analysis on letter-sized paper."

A false dichotomy

We often talk of the actuarial field — and specifically reserving — as a balance between science and art. The science is contained in the data and the models used to extract the signal from that data, and the art is our ability to tame or control the signals from the data with the expectations derived from our knowledge of the line of business concerned, insight into policyholder behavior, or the market in general.

When we talk about a changing balance of science and art, this often is taken to mean a dynamic change in the balance of two static qualities. An example of this is manifested in the perceived fear that robot automation is coming to take over the work of reserving analysts.

This is not the case. Both sides of the science and art equilibrium should be and are improving. It is not art versus science, rather it is art and science working in tandem. As we increase the amount of data that is available and when technological innovations afford us the ability to improve the science, we become better informed and have more analyzing capacity. We also have better, more advanced tools to impose and communicate our judgment.

Why technology is important

The current environment provides an excellent case study in the challenges and why the rising tide of technological innovation is important. A confluence of fast-emerging and overlapping trends makes it very difficult to identify homogenous and voluminous groups of data to study. These include the fast-changing dynamics of the pandemic and its varying impact on commercial and personal behavior, recent high levels of inflation and supply-chain challenges, underlying trends in "social inflation" and socio-political factors such as global conflicts or institutional prioritization of environmental, social and governance goals. While these recent trends suggest an increased reliance on external insight and judgment, it is technology that enables such insights, providing the tools to analyze and communicate with clarity.

Making space for creativity

A conspicuous area of opportunity is the use of process automation technology to make space for deep analysis by reducing the time that high-value resources, such as actuaries and database administrators, spend performing low-value tasks such as data management and manipulation. Ostensibly the value here is in reducing costs, but most insurers overwhelmingly prioritize increased value rather than lower costs when looking to increase their use of automation. Manual processes are accelerated, and key indicators are delivered as soon as data is available. This enables actuaries to quickly orient where their attention is best deployed and focus on the appropriate analysis. The better the information and the earlier it is obtained, the more time there is to react appropriately to that information.

Taking an innovative look

Technology-empowered techniques such as machine learning can be used to reassess the data cohorts used in analyses. What were once homogenous data groups are now groups being affected by changing factors — where the historical mix of business has become more volatile. Machine-led techniques can identify the underlying loss drivers within a data set to isolate those elements that demonstrate consistency. These pockets of stability can then be analyzed using traditional techniques. In other words, applying innovative techniques during the data processing stage allows us to do fewer complex things during the analysis phase, while still improving our forecasting ability. This has a corollary benefit of simplifying the reporting element of the reserving process, which can often be onerous.

Using communication

Another often overlooked area is how technical results are communicated back to the business.

The work of a reserving team is to forecast. While they are never going to be 100% right in their analysis and results, they can reduce the noise, become more transparent in their underlying assumptions and communicate them in easy-to-understand everyday language. They should be shrewd not just in how they complete the analysis but also in knowing who they are sharing the results with, how they will receive the information and anticipating how they will react to that information. There are two potential pitfalls that often cause stumbles: producing an overwhelming volume of information, thereby running the risk of burying the most important message or spending too long focusing on something that simply isn't material. Data visualization tools can be very powerful in building a narrative through a complex set of diagnostics to identify and communicate the key driving trend, while also providing the context within the wider business.

The vision for an ideal team

It is crucial to develop and maintain a strong vision of how an actuarial team should be performing in the future but at the same time be strategic in how innovations can be incorporated so that a clear line through the financials is maintained. Companies need to take a larger view of what they want to do in the next two to five years. They need to imagine their ideal operating model and make incremental improvements to get there.

Companies need to balance the science and the art, elevating both. As a result, companies' most valuable resources — their teams — will be stretching themselves to do more value-added analysis and critical thinking. Just like James Bond's Omega Seamaster watch, beneath the traditional facade lies a world of innovation and technology.

Jamie Mackay is San Diego-based director and reserving proposition leader for the Americas at Willis Towers Watson PLC. He can be contacted at Jamie.Mackay@willistowerswatson.com.

PRODUCTS & SERVICES

Hub introduces nonprofit specialty practice

■ Hub International Ltd. said it has launched a nonprofit specialty practice.

The practice serves organizations including associations, arts and cultural entities, foundations, public advocacy, religious and other charitable organizations and will be led by Hub's Scott Konrad, North American nonprofit practice leader.

The nonprofit specialty practice is the broker's 10th specialty in five years, Hub said.

Hub International CEO and President Marc Cohen said in a statement that nonprofits face unique operational, financial and governance challenges.

Ryan sets up group captive for auto liability risk

■ Ryan Specialty Group Holdings Inc. said it had formed a group captive that will offer $2 million in buffer layer capacity for auto liability risks.

AXSAL Re, which is managed by Ryan Specialty unit Keystone Risk Partners, is a member-owned group captive managing general underwriter designed for transportation companies or other policyholders with large fleets, a Ryan statement said.

AXSAL Re will distribute through insurance brokers and agents. The buffer layer is usually the layer between primary and excess layers.

The $2 million buffer layer auto liability limit can attach above a minimum of a $1 million primary policy. The product is designed to attach in the most challenging layer within the first $10 million of an auto liability tower, according to an email from Doug Deitch, president of Keystone Risk Partners.

Chubb increases financial institution bonds

■ Chubb Ltd. said it has expanded its suite of financial institution bonds from one to six.

The five new fidelity bonds will provide coverage for insurers, broker-dealers, banks, fiduciaries of Employee Retirement Income Security Act plans, and investment companies. Chubb already offered a bond for asset managers.

Bonds of up to $25 million will be available for asset managers, banks and insurers. ERISA bonds will provide coverage up to the statutory required limits per insured plan, not exceeding $50 million for all plans. Broker-dealer and investment company bonds are up to statutory limits, not to exceed $25 million.

The bonds provide coverage for financial losses due to employee and third-party dishonesty, and coverage for computer fraud, funds transfer and social engineering fraud is also available.

Parametric cloud downtime insurance offered

■ Parametrix Insurance Services LLC said it will make its parametric cloud downtime insurance available through brokerage IMA Financial Group Inc.

All policy terms, including coverage and damages, are agreed in advance. The waiting period for downtime insurance can be set to as little as an hour of downtime, and there is no monetary deductible, the statement said.

The companies also will collaborate on marketing activities and offer consultative enterprise assessments and analysis of downtime risks and exposure, Parametrix said in a statement.

Parametrix offers a parametric product that is triggered if service is interrupted. It was a winner of a 2021 *Business Insurance* Innovation Award.

Munich Re Specialty offering surety bonds

■ Munich Re Specialty Insurance Co., the North America specialty property/casualty insurance business of Munich Re Group, said it is offering contract and commercial surety bonds.

Available in all U.S. states and Puerto Rico and sold through retail brokers, single bonds will be issued up to $100 million and aggregate programs up to $250 million. Larger issuances may be available on a case-by-case basis, Munich Re said in a statement.

Bonds are available for all contract markets, from small and emerging contractors to larger accounts, including bid bonds, performance bonds, payment bonds and maintenance bonds.

Specific surety bonds offered to both small businesses, individuals and large commercial accounts include license and permit bonds, court and fiduciary bonds, public official bonds, miscellaneous bonds and subdivision bonds.

The business is headed by David Pesce, Munich Re Specialty Insurance head of surety, who joined the company in June 2021 to lead its expansion into contract and commercial surety, the statement said.

Marsh introduces renewable energy facility

■ Marsh LLC said it has launched a renewable energy facility providing dedicated insurance capacity for mid-scale solar and battery energy storage system risks in the U.S. and Canada.

Backed by five insurers, the facility provides projects with under 50-megawatts capacity with pre-agreed coverage terms for construction all risk, operational all risk, general liability and excess liability, either as a package or individual policies.

Liability limits of up to $25 million are available, and for qualifying projects there are no set limits for replacement cost and business interruption coverage.

Developed by Marsh Specialty's renewable energy practice, the facility also provides expedited policy issuance and uniform terms and conditions.

Renewable energy companies have been challenged to find sufficient capacity for smaller standalone solar and BESS projects in a quick enough timeframe to satisfy developers, consultants and financiers, Marsh said in a statement.

Insurtech unveils e-commerce product

■ Insurtech Foxquilt Insurance Services Inc. said it has introduced an e-commerce insurance product for small businesses in Canada.

The Toronto-based company said it plans to introduce the product in the U.S. later this year.

The product enables small-business owners in more than 500 professions to quote, buy and receive their business insurance online, with premiums beginning at $500 annually, it said.

Up to $2 million in limits is available, according to a spokeswoman.

DEALS & MOVES

Gallagher acquires habitational brokerage

Arthur J. Gallagher & Co. said it has acquired Mokena, Illinois-based Hruska Insurancenter Inc., a retail property/casualty brokerage that specializes in coverage for the commercial real estate industry.

Terms of the deal were not disclosed.

Founded in 1956, Hruska Insurancenter places coverage for condominiums and apartment complexes and supports commercial and personal lines clients in the upper Midwest.

MGU buys motorsports, entertainment broker

Professional Program Insurance Brokerage, a division of Specialty Program Group LLC, said it has acquired Jones Birdsong LLP, a specialty brokerage focused on the motorsports and entertainment industries.

Terms of the deal were not disclosed.

Founded in 2011 and based in Chanhassen, Minnesota, Jones Birdsong provides property/casualty, executive and professional liability coverage for racetracks, racing events, individual competitors and racing teams.

Petaluma, California-based Professional Program Insurance Brokerage is a managing general underwriter that specializes in niche and emerging risks such as cannabis, medi spas, e-cigarettes and tattoo shops.

Risk Strategies buys broker with private equity focus

Risk Strategies Co. said it has acquired Advisor Brokerage Services LLC of Austin, Texas.

Terms of the deal were not announced.

Advisor Brokerage Services focuses on serving alternative asset management companies and offers specialized insurance coverages for large financial institutions, hedge funds, private equity firms and family offices.

Patriot makes Virginia acquisition

Patriot Growth Insurance Services LLC said it has acquired Business Benefits Group Inc. and its subsidiary, Incisive Financial Group LLC.

Terms of the deal were not disclosed.

Fairfax, Virginia-based Business Benefits Group provides commercial insurance coverages including commercial auto, directors and officers, errors and omissions, and property, in addition to employee benefits. The broker has two offices in Fairfax and 55 employees.

PEOPLE

"My advice for anyone new to the DE&I area is to be patient but persistent. Rome wasn't built in a day, and a successful DE&I effort won't be either. However, with patience you can't become complacent, so I couple it with persistence."

UP CLOSE

Nola Cartmill

NEW JOB TITLE: Waukee, Iowa-based chief diversity officer, Holmes Murphy & Associates LLC.

PREVIOUS POSITION: Des Moines, Iowa-based partner/attorney, Belin McCormick P.C.

OUTLOOK FOR THE INDUSTRY: As it pertains to diversity, equity and inclusion, efforts will continue to be imperative for businesses that wish to compete in the ever-changing markets. Employees will simply demand it. The insurance industry has seemed to understand this imperative from the start, but its outlook depends on how it can ensure its efforts are more than box-checking in response to a tragic event and are designed to really drive sustained change from the mailroom to the boardroom.

GOALS FOR YOUR NEW POSITION: My goal for my new position is to help Holmes Murphy become a DE&I leader not only in the insurance industry but also in the general business industry. In addition, I hope to help not only improve the experience of those who interact with Holmes Murphy but those who interact with our clients and our communities.

CHALLENGES FACING THE INDUSTRY: Although the insurance industry has made great strides in its DE&I efforts, there is still much to do to ensure adequate representation not only in entry-level positions but also at executive levels. People of color comprise approximately 24% of the entry-level workforce but only 8% of the senior and executive management. Similarly, while women comprise approximately 57% of the entry-level workforce, they comprise only 18% of the senior and executive management. And this data doesn't even begin to address other areas of diversity that may be outwardly less visible but equally important. Closing these gaps when the governance of many companies is designed to maintain them is probably the largest challenge facing the insurance industry regarding DE&I and highlights the need for not just diversity but also equity and inclusion to really drive change.

FIRST EXPERIENCE: My first experience in the DE&I field was helping my legal clients navigate how to improve their workplaces for all employees using affirmative action programs, voluntary affirmative action programs, and eventually standing up their own DE&I programs.

ADVICE FOR A NEWCOMER: My advice for anyone new to the DE&I area is to be patient but persistent. Rome wasn't built in a day, and a successful DE&I effort won't be either. However, with patience you can't become complacent, so I couple it with persistence. If you have something that needs to be addressed or something you want to do, be the squeaky wheel until it gets addressed or done.

DREAM JOB: Chief diversity officer in any field lagging in this area.

COLLEGE MAJOR: Psychology.

LOOKING FORWARD TO: The challenge of driving sustained change at Holmes Murphy, a company that I believe is committed to doing more than simply paying lip service to DE&I.

FAVORITE MEAL: Chicken and noodles and mashed potatoes.

FAVORITE BOOK: I love to read, so this is a tough question, and I will cheat and give two answers: "Becoming" by Michelle Obama and "A Time to Kill" by John Grisham.

HOBBIES: Reading, traveling, riding my Peloton, attending Broadway shows.

FAVORITE TV SHOW: "This is Us."

ON A SATURDAY AFTERNOON: I enjoy taking my dog for a walk and going on a shopping outing with my sister.

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

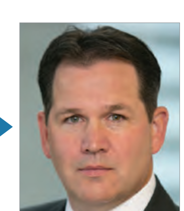
Acrisure LLC named former Hartford Financial Services Group Inc. sales leader **Matthew Kirk** executive vice president and head of insurance strategy and execution, a new position. Mr. Kirk most recently was senior vice president, chief sales and distribution officer, small commercial, at The Hartford.

Alera Group Inc. named New York-based **Monica Evans** senior vice president and director of property/casualty solutions. Previously, Ms. Evans was executive vice president, client service leader for business insurance, at Marsh McLennan Agency LLC.

Bob Rogers, former global head of construction professional liability at American International Group Inc., joined Aon PLC as a managing director. Boston-based Mr. Rogers will lead Aon's design and construction professional liability practice. He joined AIG in 1990.

Allianz Global Corporate & Specialty SE named American International Group Inc. underwriting leader **Mike Martin** as global head of property. Mr. Martin, based in Atlanta, succeeds Maria Grace, who left AGCS in late 2021. Mr. Martin had been chief underwriting officer-U.S. retail property at AIG.

Willis Towers Watson PLC said **Michael Chang**, formerly with Sompo International Holdings Ltd., will join the brokerage later this year as head of corporate risk and broking for North America. Mr. Chang will succeed Mike Liss, who is retiring in mid-2023. Mr. Chang previously served as co-leader of global insurance at Sompo International.



Chubb Ltd. appointed **Paul Johnstone** country president of its Canadian operations, effective July 1, succeeding John Alfieri, who is retiring from the company. Previously, Mr. Johnstone was chief operating officer in Canada.

Blockchain hits dislike on Facebook

A nonprofit blockchain developer is suing the company formerly known as Facebook over its new infinity logo, which the nonprofit says could cause brand confusion with the social media platform that it says has a "sordid" history regarding user privacy.

Switzerland-based Dfinity, which was founded in 2016 and registered a federal trademark for its infinity symbol logo in 2018, sued Meta Platforms Inc. in federal court in California in May. It alleges the confusion could hurt its efforts to attract people to its blockchain platform, which it wants to use to "take on Big Tech," Reuters reported.

Facebook Inc. rebranded itself as Meta in 2021 to reflect its plans to focus on the virtual-reality "metaverse." Meta has described its new logo as "symbolizing infinite horizons in the metaverse."

Insurance salesman reaches life goal

An insurance salesman in Frisco, Texas, recently had a pretty sweet how-was-your-weekend, high-five-inducing tale to share at the water cooler.

As Thomas Hodges, an agent with New York Life, relayed to his colleagues, and the readers of Texas Monthly: He took the ice as an emergency goalie for the Anaheim Ducks during their season finale against the Dallas Stars at the American Airlines Center in Dallas.

Mr. Hodges, who has been playing hockey since he was 12 and played for Southern Methodist University, serves as an emergency replacement goalie for the NHL. For Mr. Hodges, who played the final period for the Ducks, it was the fifth time he had been summoned to dress for a game but the first time he actually got some game time.

He made two saves and gave up just one goal, on a power play.

Pet health apps provide purrfect leads for insurers

It appears those handy mobile apps that give you details on your pet's health are also fetching major wins in the pet insurance market.

The limited access to veterinarian services during the pandemic led to the creation of more pet health applications, which typically linked pet owners with pet insurers, who are the real winners, according to an article on TechCrunch.com.

According to the article, pet owners seeking information on pet care has "lit up the (venture capitalist) world as startups roll out these relatively simple apps which turn out to be big money-spinners when this insurance angle is attached."

One booming insurer and pet app — Stockholm-based Lassie A.B. — claims it reduces not just vet costs but also prevents injuries from happening in the first place. Pet owners are then rewarded with lower insurance prices if they complete educational courses on good pet care.

Android users apparently safer

Sorry everything-Mac enthusiasts. In the war between iPhone and Android users, one study has found that the latter are better drivers.

Car insurance rates web site Jerry.com analyzed driving behavior of 20,000 drivers collected during more than 8,000 miles of driving, and the results were "clear." Android users took laps around iPhone users when it came to safe driving, the study found.

The results showed Android users achieved higher safe-driving scores than iPhone users in every category: safe driving, speeding, distraction, turning, braking and accelerating.

The study also found Android users outperformed iPhone users when it came to keeping their hands off their phones while driving.

Also relevant is that Android users achieved higher scores regardless of age, gender, marital status, education and credit rating.

Airline forgets vital check in the box

An airline that wanted to ensure all of its crewmembers were vaccinated against COVID-19 for the safety of passengers recently failed to ensure one of its pilots had completed training before take-off.

As reported by CNN, a Virgin Atlantic flight heading to New York's John F. Kennedy Airport turned back to London Heathrow after it emerged the first officer hadn't completed the airline's final flying test.

Flight VS3 was about 40 minutes into its journey when a "rostering error" emerged, leading to the plane's return to London, an airline spokesperson said in a statement to CNN.

The pilot joined the company in 2017 and is qualified in accordance with U.K. flight regulations but needed to complete the airline's internal "final assessment" flight, the statement said.


MORE IMAGINATION.
MORE TO LOVE
FROM APPLIED.®
Workers' Compensation • Transportation – Liability & Physical Damage • Construction – Primary & Excess Liability
Homeowners – Including California Wildfire & Gulf Region Hurricane • Fine Art & Collections • Structured Insurance
Financial Lines • Aviation & Space • Environmental & Pollution Liability • Property • Warranty
Fronting & Program Business • Reinsurance
...And More To Come.
It Pays To Get A Quote From Applied.®
Learn more at auw.com/MoreToLove
or call sales (877) 234-4450
APPLIED UNDERWRITERS
©2022 Applied Underwriters, Inc. Rated A (Excellent) by AM Best. Insurance plans protected U.S. Patent No. 7,908,157.