

**CYBER:** Risk managers, insurers mull need for backstop to cover big data breaches - **PAGE 5**

# BUSINESS INSURANCE®

[www.businessinsurance.com](http://www.businessinsurance.com)

JANUARY 2023

## DATA & RANKINGS

*BI's exclusive rankings  
of industry players and more*

**PAGE 16**



Berkshire Hathaway  
Specialty Insurance®



# BHSI is here for you.

We combine the strength of a top-rated balance sheet with a worldwide team of professionals who have excellent credentials, capabilities and character. So you can count on us for stable capacity, creative solutions, and promises fulfilled, year after year.

**Property • Casualty • Executive and Professional Lines • Healthcare Professional Liability  
Marine • Surety • Homeowners • Leisure Travel Insurance • Programs • Accident & Health  
Medical Stop Loss • Transactional Liability • Multinational**

[www.bhspecialty.com](http://www.bhspecialty.com)

**PRESIDENT**

Steve Acunto  
(Greenwich)  
sa@businessinsurance.com

**CHIEF OPERATING OFFICER**

Stephen Acunto  
(Princeton)  
stephen@businessinsurance.com

**PUBLISHER**

Keith Kenner  
(Chicago)  
kkenner@businessinsurance.com

**EDITOR**

Gavin Souter  
(Chicago)  
gsouter@businessinsurance.com

**DEPUTY EDITOR**

Claire Wilkinson  
(New York)  
cwillkinson@businessinsurance.com

**ASSISTANT EDITOR**

Louise Esola  
(New Orleans)  
lesola@businessinsurance.com

**NEWS EDITOR**

John Obrecht  
(Chicago)  
jobrecht@businessinsurance.com

**SENIOR REPORTER**

Judy Greenwald  
(San Jose)  
jgreenwald@businessinsurance.com

**REPORTER**

Jon Campisi  
(Philadelphia)  
jcampisi@businessinsurance.com

**REPORTER**

Matthew Lerner  
(New York)  
mlerner@businessinsurance.com

**COPY EDITOR**

Brian Gaynor  
(Portland)  
bgaynor@businessinsurance.com

**ART DIRECTOR**

Jeremy Werling  
(Cincinnati)  
jwerling@businessinsurance.com

**DIRECTOR OF RESEARCH,  
PLANNING AND INSIGHTS**

Andy Toh  
(Chicago)  
atoh@businessinsurance.com

**MAJOR ACCOUNTS DIRECTOR -  
NORTHEASTERN U.S. & INTERNATIONAL**

Ron Kolgraf  
(Boston)  
rkolgraf@businessinsurance.com

**HEAD OF EVENT SALES,  
REPRINTS & LICENSING**

Susan Stilwill  
(Nashville)  
sstilwill@businessinsurance.com

**VICE PRESIDENT OF MARKETING**

Brian McGann  
(Buffalo)  
bmcgann@businessinsurance.com

**VICE PRESIDENT OF DIGITAL  
MARKETING/COMMUNICATIONS**

Jen Jonasson  
(Chicago)  
jjonasson@businessinsurance.com

**DIGITAL AD OPERATIONS MANAGER**

Zeina Alwafai  
(Memphis)  
zalwafai@businessinsurance.com

**DIRECTOR, CONFERENCES & EVENTS**

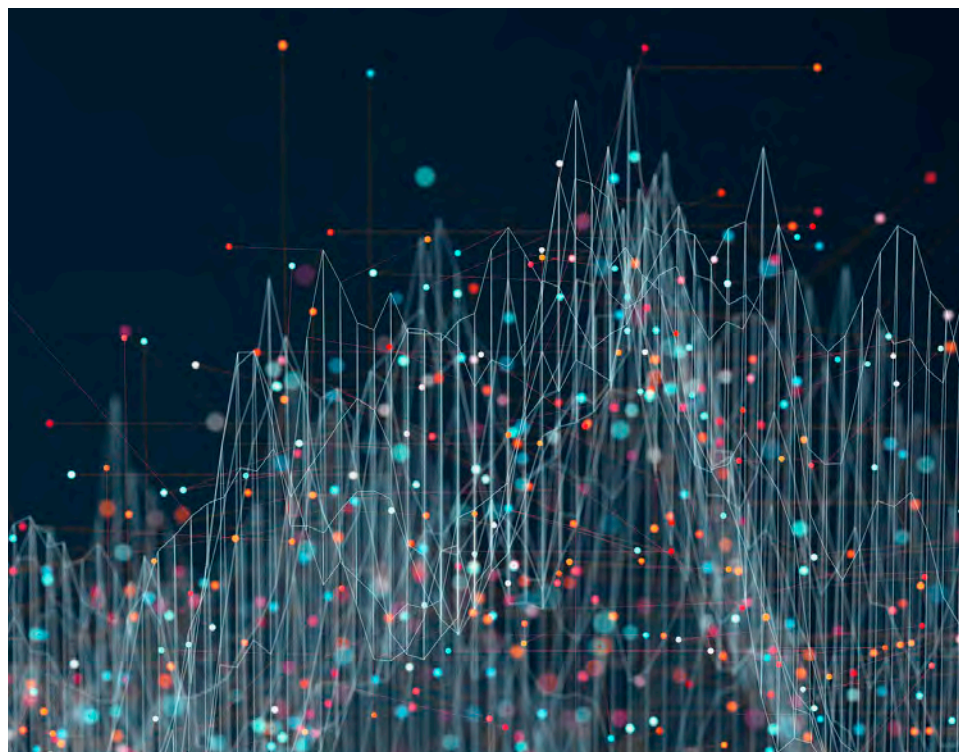
Brittany Collins  
(Lafayette)  
bcollins@businessinsurance.com

**MARKETING COORDINATOR**

Jessica Evangelista  
(Washington)  
jevangelista@businessinsurance.com

**SUBSCRIPTIONS & SINGLE COPY SALES**

businessinsurance@omeda.com



## DATA & RANKINGS

The annual data issue of *Business Insurance* provides highlights from our proprietary research released over the past year and other rankings. Included are broker, captive, surplus lines and third-party administrator rankings, as well as rankings of specialty segments such as cyber risk and medical malpractice insurers. **PAGE 16**

## INSIDE



- ▶ **LEGAL BRIEFS**  
Recent court opinions **PAGE 13**
- ▶ **MARKET PULSE**  
Products, deals and more **PAGE 27**
- ▶ **PEOPLE**  
Insurance industry moves **PAGE 28**

### NEWS ANALYSIS

FOR BREAKING NEWS COVERAGE, VISIT [businessinsurance.com](http://businessinsurance.com)



### OFF BEAT

Who says companies don't have the right to fire workers who fail to be sufficiently "fun"? **PAGE 29**



### CYBER BACKSTOP

While RIMS strongly endorses a federal cyber insurance backstop, other groups say more study is needed. **PAGE 5**

### WORKER RECLASSIFICATION

A U.S. Department of Labor proposal could put more independent contractors in the employee category. **PAGE 7**

### DATA PRIVACY

Privacy laws taking effect this year in five states expand employers' data liability. **PAGE 9**

### OSHA CHALLENGES

A decline in the ranks of OSHA inspectors is hampering the agency's enforcement operations, observers say. **PAGE 11**

### INTERNATIONAL

The Botswana insurance market is highly competitive, with almost all premium rates under pressure. **PAGE 12**

### VIEW FROM THE TOP

#### ALEX SUN

Alex Sun became CEO of San Diego-based Enlyte LLC in 2021, when it was formed through the merger of three companies in the workers compensation sector: Coventry Workers Comp Services, Genex Services LLC and Mitchell International Inc. Mr. Sun was formerly CEO of Mitchell, and prior to that he spent a decade in the banking and financial services industry. He discusses the benefits of the merger and challenges in the workers compensation arena. **PAGE 15**



# THINK YOU KNOW HUDSON?



**HUDSON**  
INSURANCE GROUP®

**THINK AGAIN.** Now known as HudsonPro®, our full-service professional lines underwriting and claims handling facility is stronger than ever. Our existing suite of products has been expanded to cover more exposures, from small to large and from conventional to cutting-edge. We proudly serve private companies, non-profits, financial institutions, public companies, groups and individuals, and our seasoned team will craft personalized solutions that fit your needs.

**When there's no room for error, THINK HudsonPro.**

Rated A by A.M. Best, FSC XV

**HudsonInsPro.com**

MANAGEMENT LIABILITY  
FINANCIAL INSTITUTIONS  
LIABILITY  
GENERAL PARTNERS'  
LIABILITY  
PROFESSIONAL LIABILITY  
MEDICAL PROFESSIONAL  
LIABILITY

# Insurers weigh need for federal cyber backstop

BY MATTHEW LERNER

mlerner@businessinsurance.com

The biggest U.S. risk management organization supports the creation of a federal cyber insurance backstop, but several prominent insurer groups say more time is needed to determine whether government support is needed.

Proponents of federal support for the market say the terrorism backstop formed after the Sept. 11, 2001, terrorism attacks could serve as a basic model for a cyber backstop, but factors such as funding and the structure of coverage need to be addressed.

The discussions come after a surge in ransomware-related cyber liability insurance claims over the past two years and huge increases in the cost of coverage.

In November, the Risk & Insurance Management Society Inc. sent a comment letter to the U.S. Treasury Department's Federal Insurance Office saying its members "overwhelmingly supported" the creation of a federal cyber insurance backstop.

**"We believe the federal government should invest in cyber-risk mitigation of national and community infrastructure as well as preventing cyberattacks by nation states and terrorist groups."**

Dale Porfilio, Insurance Information Institute

The letter was in response to a Sept. 29 notice from the Treasury seeking comments "on questions related to cyber insurance and catastrophic cyber incidents." The initial deadline to submit comments was Nov. 14, which was extended to Dec. 15.

"Cyber insurance is a significant risk-transfer mechanism, and the insurance industry has an important role to play in strengthening cyber hygiene and building resiliency," the Treasury notice said.

The notice followed a June report from the Government Accountability Office recommending that FIO and the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency conduct a joint assessment to determine "the extent to which risks to critical infrastructure from catastrophic cyber incidents and potential financial exposures warrant a federal insurance response."

Last month, the American Property



Casualty Insurance Association, the Council of Insurance Agents and Brokers, CyberAcuView — a cyber insurance group — and the Wholesale & Specialty Insurance Association sent a joint letter to Steven E. Seitz, director of the FIO, saying that it was too early to assess whether a federal backstop was needed.

The letter said the insurance industry, business community and government have shared interests in encouraging stronger cybersecurity and preventing cyberattacks and cybercrime but added the cyber insurance market is "nascent" and more time is needed to determine "whether a federal response is appropriate."

"Historically, federal insurance responses have been constructed when there has been clear evidence of a market failure within a specific peril or line that led to deleterious impacts. This is not the scenario for the cyber insurance market," the letter stated.

The current market is expected to double in size every three years, according to the most recent National Association

of Insurance Commissioners report on cyber insurance, and "reinsurance is readily available and new carriers continue to enter the market," the letter said.

The letter acknowledged that "a study on the potential impacts of protection gaps, and whether and to what extent gaps exist, will be helpful," and called the review process "a unique opportunity to proactively evaluate and discuss how the federal government could assist through public-private partnership, if eventually needed."

Bryan Cunningham, executive director of the Cybersecurity Policy & Research Institute at the University of California, Irvine, said in an interview he supports some role for the federal government in the management of catastrophic cyber exposures. "I think we have to have that," he said. Details of the thresholds, funding and other considerations are "yet to be determined, but it should be there," he said.

Mr. Cunningham served as deputy national security adviser in the George W. Bush administration under Condoleezza

Rice and was involved in drafting the Homeland Security Act after 9/11.

He suggested the Terrorism Risk Insurance Act of 2002, which provided federal reinsurance coverage for insurers providing property/casualty coverage, could serve as a reference point because the language of the law has survived five reauthorizations and the program was successful in achieving its goal of stabilizing property markets after the attacks. The trigger for TRIA coverage began at \$50 billion and rose to \$200 billion at its most recent reauthorization, in 2019.

Lynn Haley Pilarski, chair of RIMS' external affairs committee and senior risk manager at General Motors Co., said TRIA fulfilled its mandate of stabilizing commercial property insurance markets in the wake of the 9/11 devastation and that "risk managers are always looking for ways to improve coverage terms, increase capacity and stabilize insurance markets."

Both Mr. Cunningham and Ms. Pilarski said attention should be paid to the definition of war in any backstop, especially as it pertains to coverage language and exclusions. The definition should not be so broad as to allow overly broad or restrictive exclusionary coverage language, they said.

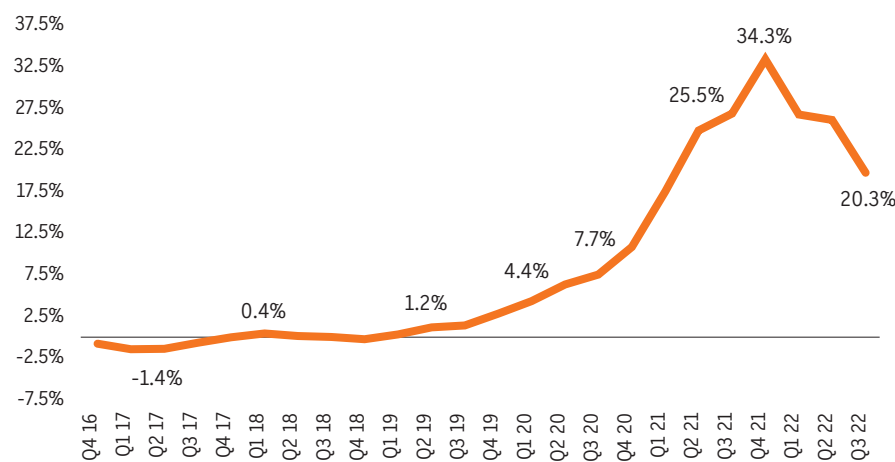
Dale Porfilio, chief insurance officer for the Insurance Information Institute in New York, said the organization "considers cyber to be one of the most significant risks facing society and the insurance industry, and is concerned about a catastrophic cyber event on the scale of natural catastrophes like hurricanes and earthquakes." He said events such as the Colonial Pipeline shutdown in 2021, in which an energy provider was hit by a ransomware attack, showed the potential risk for "bad actors or nation states to attack major infrastructure like the U.S. power grid."

A significant attack on infrastructure "could far exceed current private market cyber coverage," Mr. Porfilio said. "We believe the federal government should invest in cyber-risk mitigation of national and community infrastructure as well as preventing cyberattacks by nation states and terrorist groups."

Mr. Porfilio said "the potential benefit of a federal cyber insurance program like TRIA depends greatly on how it is structured and funded. We would not want it to replace or inhibit growth of the private cyber insurance and reinsurance market."

A program like TRIA could be beneficial if it provided "umbrella coverage above the private market without adding undue cost or administrative burdens for policyholders and insurance carriers," Mr. Porfilio said.

PREMIUM CHANGE FOR CYBER (Q4 2016-Q3 2022)



Source: Council of Insurance Agents & Brokers

KNOWING THE NUTS AND BOLTS OF  
THE INDUSTRY BUILDS A BETTER WAY  
TO MANAGE THE RISK FOR IT.



We make it our business to know the business of construction. That specialization translates to exceptional service. With expertise in underwriting, risk engineering and claims, we help develop customized product solutions that mitigate risk for mid- to large-size businesses across many industries. **The Buck's Got Your Back.®**

[TheHartford.com](https://www.TheHartford.com)

# Gig worker proposal could raise comp costs

BY LOUISE ESOLA

lesola@businessinsurance.com

A U.S. Department of Labor proposal that could put more independent contractors in the employee category has the potential to shake up business models, workers compensation experts say.

“This can be a really big deal, especially in the gig, shared economy,” said Ben Powers, Atlanta-based executive vice president and head of large and complex casualty for the Southeast region at Willis Towers Watson PLC.

“Overall, the employee/employer relationship versus that principal/independent contractor relationship impacts our clients in a lot of big ways,” as workers compensation coverage would be among the largest mandated insurance requirements for companies forced to reclassify workers, he said.

The DOL’s proposed rule, introduced Oct. 13 and closed to public comment on Dec. 13, would apply a narrow “economic realities test” to determine whether a worker is an independent contractor. It would assess six conditions to determine whether workers are economically dependent on employers or are in business for themselves.

The DOL has stated its intention to rein in companies that rely heavily on independent contractors, who lack access to such protections as workers compensation and wage and hour laws. A DOL official recently named the independent contractors issue among the top troubling comp trends (see related story).

Comp experts say that, depending on the type of company, a move to reclassify independent contractors as employees would force many businesses to rebalance their risk profile.

If the proposed rule “forces employers to reclassify independent contractors as employees, there is a significant effect on workers comp and on the overall eco-



nomics of their business model,” said Will Brauer, Marsh LLC’s sharing economy and mobility casualty leader in Chicago.

“There is a fine and sometimes difficult-to-discern line between employee status and independent contractor,”

he said. “Each state, and in some cases municipality, define these requirements differently, but most have some common elements.”

While many companies that rely on independent contractors have general liability policies to protect assets in the event of a contractor injury — if the worker alleges and can prove negligence on behalf of the company — workers compensation is a wider net, a guarantee of benefits in most cases, and would increase insurance costs dramatically, said Paul Primavera, Washington-based executive vice president and practice leader, national risk control group, at Lockton Cos. LLC.

Conversely, the risk could be greater under general liability, as workers comp is the exclusive remedy and is safeguarded by regulations, he said.

“Certainly one could argue that a third-party claim could result in more exposure to an organization than a workers compensation claim simply because there are no limits on wages and pain and suffering,” he said.

With potential federal changes looming, experts say companies also need to ensure

they are classifying their workers in line with current state regulations, which have shifted in some cases.

California has tightened rules on who is considered an employee, and Vermont and Rhode Island considered measures in 2022 that would have changed the definition. More states could continue to push for clarification on the issue, the National Council on Compensation Insurance reported, naming the issue a major legislative trend.

“There is a fine and sometimes difficult-to-discern line between employee status and independent contractor.”

Will Brauer, Marsh LLC

## FATAL OCCUPATIONAL INJURIES

Self-employed workers, which include independent contractors, represented 17% of fatal occupational injuries in 2021. The latest data, released last month, showed numbers in line with the four previous years, when between 900 and 1,093 self-employed workers died as a result of occupational injuries:



Source: U.S. Bureau of Labor Statistics

According to the NCCI, three states passed laws in 2022 affecting gig workers.

S.B. 150 in Alabama excluded certain contractors working for marketplace platforms, such as Uber and food delivery platform Grubhub, from the definition of employee and deemed them independent contractors. H.B. 118 in South Dakota clarified when a worker is an independent contractor of a delivery facilitation platform, and H.B. 2076 in Washington addressed workers compensation coverage for transportation network company drivers under certain conditions.

Hanging over the issue is the DOL’s proposal, experts say.

“This is a key issue to continue to watch,” said Greg McKenna, Rolling Meadows, Illinois-based national practice leader for the public sector at Gallagher Bassett Services Inc. “It would be good advice for employers to continue to see how the federal government is going to take action on this.”

## WORKER MISCLASSIFICATION AMONG ‘TROUBLING’ TRENDS IN INSURANCE INDUSTRY

Workers misclassified as independent contractors, reductions in benefits, and states looking to make workers compensation protections optional for employers are three “troubling” trends for the insurance industry, a U.S. Department of Labor official wrote in a recent blog post on the agency’s website.

Christopher Godfrey, director of the DOL’s Office of Workers’ Compensation Programs and a member of the Study Panel on Workers’ Compensation Data at

the National Academy of Social Insurance, wrote that the number of U.S. workers covered by workers compensation has decreased and that workers misclassified as independent contractors “continue to lack the economic security” of workplace protections.

Another issue, Mr. Godfrey wrote in the Nov. 18 post, is that most states are paying fewer total benefits to injured workers.

“From 2016-2020, total benefits paid to injured workers decreased in 40

states,” he wrote, adding that COVID-19 “was a big factor in this decline, but total benefits paid was already decreasing in 21 states pre-pandemic.”

He described declining benefits as a decades-long trend stemming from several factors, including changes to state workers compensation laws and policies.

“Today, there are considerable cross-state differences in benefits for injured workers,” he wrote.

Another trend is states working to

make workers compensation optional.

South Dakota, Texas and Wyoming have already made workers compensation fully or partially optional for at least some occupations, Mr. Godfrey wrote, adding that “in the last decade, legislative proposals in Arkansas, Oklahoma, South Carolina and Tennessee proposed alternative workers compensation schemes or options for employers to opt out” of coverage for workers.

Louise Esola



# ARE YOU PREPARED TO TAKE ON A LARGE LOSS?

## IT ALL STARTS WITH A PLAN

**FIRST ONSITE's** business continuity planning emphasizes emergency preparedness and actively helps large facilities plan for the unknown and unknowable. Together, we'll develop procedures that promote smooth communication with clients, insurance partners, and our restoration team so all parties can respond quickly to disaster, mitigating losses and reducing business downtime.



**YOUR PARTNER IN  
PROPERTY RESTORATION**

**FIRSTONSITE.COM | 800.622.6433**



# States expand data liability for employers

BY JUDY GREENWALD

jgreenwald@businessinsurance.com

A privacy law that took effect in California on Jan. 1 is one of five such laws that have taken effect, or are scheduled to, in various states this year that will tighten regulation of online data.

Virginia's law also went into effect at the start of the year; those in Colorado, Connecticut and Utah will become effective later in the year.

More states are expected to pass similar legislation, as the issue of consumer privacy garners more attention.

The California Privacy Rights Act, which was approved by voters in a 2020 ballot measure, amends the California Consumer Privacy Act, which took effect Jan. 1, 2020.

Like the earlier act, which was influenced by the European Union's 2018 General Data Protection Regulation, the new law grants consumers a private right of action if there is a data breach.

But it expands on the earlier law by including protections for employees, job applicants and independent contractors.

The law also eliminates a 30-day period permitting companies to "cure" violations before government enforcement actions are taken.

The California Privacy Protection Agency, which was created by the 2020 law, will enforce the new law. The California attorney general still retains enforcement powers, too.

The law applies to organizations with at least \$25 million in annual gross revenue, those that deal in the personal data or information of 100,000 or more California



residents, or those that derive at least 50% of their annual revenue from selling consumers' personal information.

Experts predict there will be more enforcement than under the earlier law because that function will be led by a dedicated agency.

Initially, enforcement will likely focus on data brokers that collect large amounts of information and use it for commercial purposes before expanding to egregious violations by other organizations and those "who do nothing at all or window dressing," said Philip L. Gordon, a shareholder with Littler Mendelson P.C. in Denver.

Experts predict additional states will adopt similar laws, although they will not necessarily be as restrictive as California's.

ply with the law, said Brian McGinnis, a partner with Barnes & Thornburg LLP in Indianapolis.

"It is highly likely, if not certain that even companies that have done a lot of work with the CCPA still have work to do," said Odia Kagan, a partner with Fox & Rothschild LLP in Philadelphia.

Sean P. Nalty, a shareholder with Ogletree, Deakins, Nash, Smoak & Stewart P.C. in San Francisco, said employers may face more legal issues because of the new law's applicability to employees, "particularly if disgruntled employees were to try to use the law" to frustrate their employers.

"But if you put a good procedure in place and train your people appropriately, by and large it will be something that employers will be able to comply with," he said.

Dan Burke, San Francisco-based national cyber practice leader for Woodruff Sawyer & Co., said, "It's hard to say if others will go as far as California, but certainly, we'll have some more comprehensive consumer privacy laws" in more states in the near future.

"Obviously, many U.S. businesses have connections to California, so they have to cope with the California statute, and so, unless the Congress surprises us and there is a national privacy law, California's will remain the most stringent," said Jarno Vanto, a partner with King & Spalding LLP in New York.

Within a few years more states will adopt privacy controls, and even states whose impending laws are now milder than California's will eventually make theirs more stringent, said Joshua Gold, a shareholder with Anderson Kill P.C. in New York.

Employers will have coverage available for liabilities that arise under cyber liability insurance policies, experts say.

However, Tamara Snowdon, New York-based senior vice president and cyber coverage leader for Marsh LLC's U.S. and Canada cyber practice, said that while cyber policies provide "robust coverage" for data breaches and disclosure of sensitive personal information, coverage for privacy issues really depends on clients' negotiating power and the level of sophistication they can demonstrate.

Coverage varies, said Deborah Hirschorn, Kansas City, Missouri-based managing director for U.S. cyber and technology errors and omissions claims at Lockton Cos. LLC. "Some (policy) forms are very broad and talk about managing and controlling personal information," she said. Others' policy language is stricter.

Furthermore, "it is yet to be determined" whether fines under privacy laws, including GDPR, are insurable, Ms. Hirschorn said.

## CALIFORNIA PRIVACY LAW TAKES EFFECT

The California Privacy Rights Act, which was approved by voters in a November 2020 ballot measure and went into effect on Jan. 1 of this year, amends the California Consumer Privacy Act of 2018 and retains many of its provisions while adding new requirements.

The California Privacy Rights Act:

- Extends the earlier law's consumer privacy rights to employees, job applicants and independent contractors.
- Gives consumers and employees the right to know the personal information a business has collected, correct or delete it, and opt out of its sale.
- Applies to businesses to which any of the following apply: report more than \$25 million in gross revenue; alone or in combination; buy, receive, sell or share for commercial purposes personal information of at least 100,000 consumers, households or devices in the state; derives at least 50% of its annual revenue from selling consumers' personal information. It does not include nonprofits or government entities.
- Applies to business-to-business transactions.
- Requires businesses that collect personal information to disclose it and inform individuals whether the information is sold or shared.
- Government enforcement is to begin July 1.
- Eliminates the CCPA's 30-day "cure" period to address violations before government enforcement actions are taken.
- Only provides individuals with a "private right of action" to sue in data breach cases.

Source: Attorney analyses

**"Obviously, many U.S. businesses have connections to California, so they have to cope with the California statute, and so, unless the Congress surprises us and there is a national privacy law, California's will remain the most stringent."**

Jarno Vanto, King & Spalding LLP

residents, or those that derive at least 50% of their annual revenue from selling consumers' personal information.

Enforcement of its provisions is slated to begin July 1, but experts warn companies may still be found liable for failure to comply with its requirements before the implementation date.

The measure in California is "a bit closer to what we see in Europe with the GDPR," said Jenny L. Holmes, counsel with Nixon Peabody in Rochester, New York.

Companies should analyze the personal information they have collected and update or adopt policies and procedures to com-

**BUSINESS INSURANCE**

# **BREAK OUT AWARDS**

## **NOMINATIONS ARE OPEN**

### **NOMINATE AN OUTSTANDING RISK MANAGEMENT & PROPERTY/CASUALTY INSURANCE PROFESSIONAL TODAY!**

The *Business Insurance* **Break Out Awards** program honors top professionals on track to be the next leaders in the risk management and property/casualty insurance field. Winners from across the United States are selected based on their leadership and professional skills and can be working in any area of the industry – risk managers, brokers, insurers, reinsurers, MGAs, MGUs, wholesalers, captive managers, TPAs, lawyers and other providers serving the commercial insurance sector.

Winners will be announced online in late April and their profiles will be published in the June 2023 issue of *Business Insurance*. The program culminates with a **Break Out Awards** recognition event in Chicago in June.

### **ENTRY REQUIREMENTS & ELIGIBILITY**

- Nominations must be submitted online at [BusinessInsurance.com/BreakOut](https://BusinessInsurance.com/BreakOut)
- Nominations must include three (3) recommendations from clients, managers and/or co-workers.
- While there is no age limit, nominees must have less than 15 years of experience in the risk management and property/casualty insurance field and must be working in the sector on June 1, 2023.

**Nomination submissions are due Monday, February 13, 2023.**

Submit an entry & learn more about this awards program:  
[\*\*BusinessInsurance.com/BreakOut\*\*](https://BusinessInsurance.com/BreakOut)

SPONSORSHIP OPPORTUNITIES

Susan Stilwill | [sstilwill@businessinsurance.com](mailto:sstilwill@businessinsurance.com)

# Decline in number of inspectors hampers OSHA

BY LOUISE ESOLA

lesola@businessinsurance.com

**P**andemic workplace safety duties coupled with a steady drop in the number of Occupational Safety and Health Administration inspectors since 2014 have challenged the agency, legal experts say.

“It’s objectively true that OSHA has been shrinking, and the staff has been shrinking year over year for a while — really going back to the (2013) sequestration and some government shutdowns during the Obama administration,” said Eric Conn, Washington-based founding partner of Conn Maciel Carey LLP.

Mr. Conn referred to a Dec. 13 report by the U.S. Department of Labor’s Office of Inspector General on the department’s top management and performance challenges that found the decline in inspectors from a high of 860 in 2014 to 750 in 2021 had made it difficult for OSHA to protect workers at an estimated 8 million worksites.

The annual report followed one in November in which the OIG said OSHA “did not sufficiently protect workers from COVID-19 health hazards” during the pandemic.

Jessica E. Martinez, Los Angeles-based co-executive director of the National Council for Occupational Safety and Health, said there “is an urgent need for OSHA to add more inspectors, more whistleblower investigators and more staff throughout the agency to effectively enforce our safety laws and prevent unnecessary injuries, illnesses and fatalities.”

The U.S. Bureau of Labor Statistics on Dec. 16 released its annual Census of Fatal Occupational Injuries, finding “that a worker dies every 101 minutes from a preventable incident at work,” she said. “So, every day of delay in getting more OSHA inspectors on the job to identify and reduce workplace hazards can cost an additional 14 lives.”



The OIG report also found that OSHA has been challenged in protecting workers who report potential worksite safety violations due to failure in some cases to complete subsequent whistleblower investigations within the statutory requirement of 30, 60 or 90 days.

“The pandemic caused a significant increase in the number of whistleblower complaints OSHA received, while the number of full-time equivalent (FTE) employees, including inspectors within OSHA’s Whistleblower Protection Program, decreased,” the report said. During the early months of the pandemic, from February through May 2020, the whistleblower program received 4,101 complaints, a 30% increase from the year-earlier period, the report said.

OSHA did not respond to requests for comment.

In addition to the pandemic, a switch in presidential administrations may have played a role, according to Alka Ramchandani-Raj, shareholder and co-chair of the workplace safety & health practice group in Littler Mendelson P.C.’s Walnut Creek,

California, office.

“It takes a new administration some time to shape itself,” she said. “And with the pandemic... I think that hinders their ability to really go out and do a lot of enforcement.”

The latest report noted that it can take up to five years for an inspector to be fully trained and that more money in the agency’s budget in 2022 did not correct the issue.

**“There has been a major brain drain in the past few years caused by the retirement of many seasoned inspectors.”**

Melissa Peters, Littler Mendelson P.C.

“Even though OSHA’s budget request included the hiring of 155 new inspectors in FY 2022, the current lack of available inspectors and time lag for an inspector to become fully trained can lead to less inspections, diminished enforcement of high-risk industries, and, ultimately, greater risk of injuries or compromised health for workers,” the report said.

“There has been a major brain drain in the past few years caused by the retirement of many seasoned inspectors,” Melissa Peters, Walnut Creek, California-based shareholder with Littler Mendelson, wrote in an email. “Certified safety and health officers who were considering retiring early were likely pushed to do so after the pandemic. I imagine the pressure placed on inspectors since 2020 ... has been enormous.”

“Like any profession, it takes time for an inspector to know what they are doing,” Ms. Peters wrote. “Even OSHA offices that have hired inspectors likely won’t feel relief for several years. The increase in employee awareness of safety in the workplace since the pandemic is challenging. An increase in complaints means more site inspections. One inspector can accomplish only so much in one day.”

And inexperienced inspectors can introduce more problems for employers facing inspections, according to Adam Young, Chicago-based partner at Seyfarth Shaw LLP.

“For employers, OSHA’s staffing concerns and use of new compliance officers often mean that the compliance officer conducting the inspection does not have

industry knowledge and is less familiar with the relevant requirements,” he said.

“They also may not yet be familiar with OSHA’s Field Operations Manual or other standard OSHA procedures,” he said. “This can lead to attempts to expand inspections for which OSHA has no legal basis and inappropriate questions during employee interviews.”

## SAFETY REGULATORS EXPECTED TO WIDEN SCOPE AS COVID CONCERNS WANE

**M**uch is expected from the Occupational Safety and Health Administration in 2023, as COVID-19 concerns appear to be waning, according to experts who say changes to record-keeping, the introduction of a heat illness and prevention rule, and a focus on repeat offenders are taking center stage.

The agency said little throughout 2022 regarding COVID-19 — it last updated its recommendations concerning the disease on its website in August 2021 — despite earlier stating that a permanent health

care standard for COVID-19 prevention in health care settings would be a priority.

In a long-awaited move, OSHA on Dec. 8 announced that it had filed a draft of the health care COVID-19 rule with the Office of Management and Budget’s Office of Information and Regulatory Affairs. The document was not immediately available for public viewing.

“OSHA was pulled in multiple directions in 2022,” said Andrew Brought, a Kansas City, Missouri-based attorney with Spencer Fane LLP. “COVID

enforcement, directed almost exclusively to health care employers, effectively lost all traction once the administration declared the pandemic was over.”

Mr. Brought added: “OSHA never got around to issuing a heat-hazard proposed rule in 2022 but did issue an enforcement emphasis program for heat hazards that appears to have had marginal results,” he said. “OSHA was, however, very focused on repeat offenders and really ratcheted up inspection and penalties on employers with prior citations,

particularly in cases involving injuries.”

Fines over \$100,000 are also increasing, said Eric Conn, Washington-based founding partner of Conn Maciel Carey LLP, who said he tells clients to expect a “resurgence of the OSHA enforcement machine.”

Inspections, while limited in number, are expanding in scope, Mr. Conn said. Inspectors under the Biden administration are “digging deeper, expanding the scope of inspections, and doing much more involved inspections,” he said.

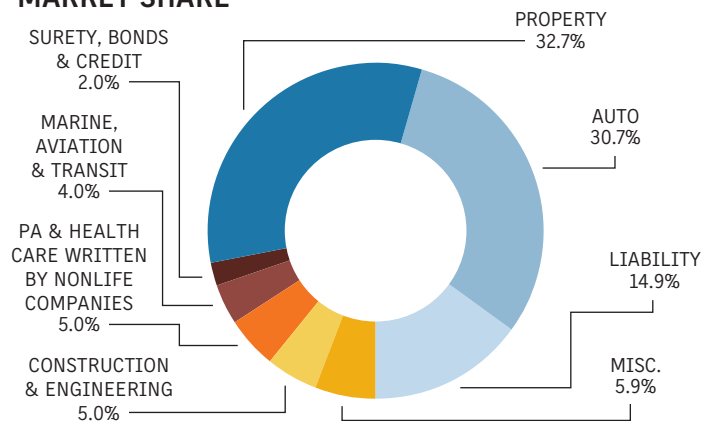
Louise Esola

## PROFILE: BOTSWANA

**111**  
GLOBAL  
P/C MARKET  
RANKING

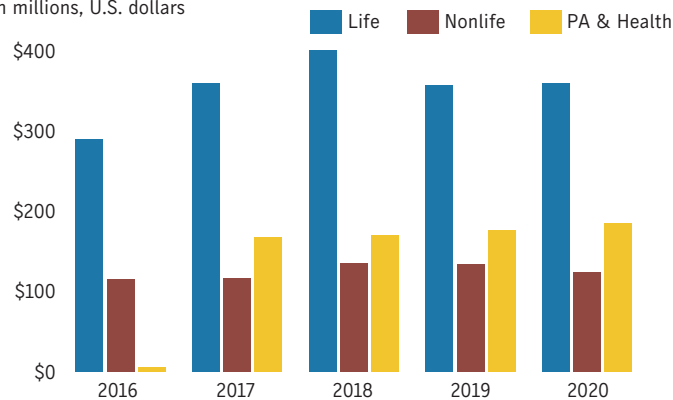
Botswana is a small market in terms of the number of people with the financial capability to obtain insurance. Its proximity to the much larger and more advanced South African economy affects the market, with insurers from that nation establishing operations and importing their products and practices. Botswana Insurance Co., the market leader in 2022 and the oldest insurer in the market, has seen an ebb and flow of business with the arrival of new competitors. This has led to a highly competitive market with almost all premium rates under pressure. The combined effects of the COVID-19 pandemic and the Russian invasion of Ukraine have resulted in prices generally increasing at the fastest rate in several years.

### MARKET SHARE



### MARKET GROWTH

In millions, U.S. dollars



Source: Axco Global Statistics/Industry Associations and Regulatory Bodies

### COMPULSORY INSURANCE

- Auto third-party bodily injury (state scheme)
- Workers compensation
- Professional indemnity for insurance brokers, insurance agents and auditors
- Security (insurance or bank guarantee) for brokers handling premiums on behalf of insurers
- Fidelity insurance for retirement fund administrators
- Aviation liability

### NONADMITTED

Nonadmitted insurance is not permitted because the law provides that insurance must be purchased from locally licensed insurers. There are no exceptions specified other than that permission may be sought from the regulator to make such a placement.

### INTERMEDIARIES

Brokers and agents are required to be authorized to do insurance business in Botswana. They are not permitted to place business with nonadmitted insurers without permission from the Non-Bank Financial Institutions Regulatory Authority.

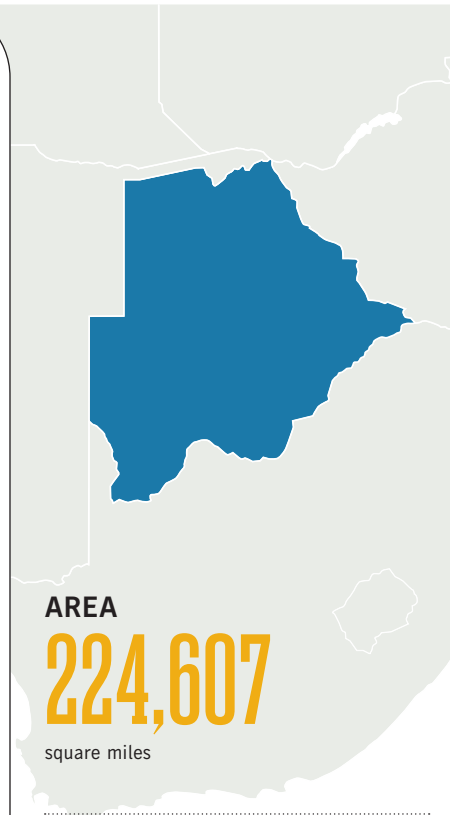
### MARKET PRACTICE

Local expertise and capacity are limited, and certain types of risk – including safari camps, aviation, mining projects and marine hulls – are insured abroad, mainly in the South African market.

### MARKET DEVELOPMENTS

Updated November 2022

- The Botswana economy was initially hit by COVID-19 restrictions halting mining activity and tourism, but the economy made a strong recovery in 2021 with GDP up over 12% in real terms. Insurers had little business interruption exposure, as policies generally required a physical loss to trigger coverage.
- The two main insurance classes, property and auto, accounted for 63.4% of gross written premium income in the nonlife market in 2020. Liability cover, which includes mandatory workers compensation, is also a significant class, but its growth potential is limited by the low overall formal employment rate.
- Small brokers have noted that increased compliance requirements, together with substantial fines for infringements, are causing problems. Market sources say the Non-Bank Financial Institutions Regulatory Authority has disallowed the operation of corporate sub-agencies in the market. Sub-agents, many of them banks, were previously tied to a broker, which enabled them to be remunerated for insurance lead generation. It is understood that sub-agencies are now required to obtain their own license.
- Aon Botswana, the brokerage market leader in the country, was acquired by Minet Group and Africa Lighthouse Capital on June 1, 2021. The company was subsequently renamed Minet Botswana.



### POPULATION

**2.38**  
million

### MARKET CONCENTRATION

**87.8%**  
market share of top five insurers

### 2022 GDP CHANGE (PROJECTED)

**4.25%**

Information provided by Axco.  
For free trial access to  
global insurance intelligence,  
visit [axcoinfo.com](http://axcoinfo.com).



## Chubb must cover ransomware loss

■ A federal district court ruled against a Chubb Ltd. unit and held that a Portland, Oregon, beverages and sauces manufacturer is entitled to the more than \$107,000 it reimbursed its president after he made a ransomware payment out of his personal cryptocurrency funds.

Yoshida Foods International LLC purchased insurance from Chubb unit Federal Insurance Co. that included computer fraud coverage under the crime coverage part of its policy, according to the ruling by the U.S. District Court in Portland in *Yoshida Foods International LLC v. Federal Insurance Co.*

In March 2021, an anonymous hacker gained unauthorized access to Yoshida's computer system and used malware to encrypt data in its storage devices, rendering the system unusable, according to the ruling.

Yoshida President Junki Yoshida used his personal cryptocurrency funds to pay \$107,074 for the four decryption keys needed, for which he was later reimbursed by the company.

Federal denied coverage, arguing the company did not sustain a "direct loss" from computer fraud, with its only loss occurring when it reimbursed the company president, who was not personally insured under the policy.

The court disagreed, saying, "There was no intervening occurrence between the ransomware attacks, the ransom payment, and the reimbursement to Mr. Yoshida, which were all part of an unbroken sequence of events."

Whether Mr. Yoshida made the ransomware payment, or the company reimbursed him, was "irrelevant," the court said, in granting Yoshida summary judgment.

## Fatal explosion suits can proceed

■ A U.S. appeals court ruled that lawsuits filed by the wife of a worker who was killed and by two workers who were injured in a chemical accident can proceed, reversing a lower court's decision that barred the litigation on workers compensation exclusive remedy grounds.

In December 2016, Alton Zeigler, Jacob Jackson and Kevin Vann — maintenance employees of DAK Americas LLC — attempted to remove a faulty

pump on a chemical production line in Calhoun County, South Carolina. Eastman Chemical Co., owner of the line, contracted with DAK, which in turn contracted with another maintenance company, Mundy Maintenance Service and Operations LLC.

In attempting to remove the pump without draining it first, the three workers loosened the bolts securing it; an explosion occurred in which molten liquid killed Mr. Zeigler and severely burned Mr. Jackson and Mr. Vann.

In April 2017, the two workers and Mr. Zeigler's wife filed separate personal injury actions against Eastman and Mundy in federal district court, alleging that Eastman's employees "were negligent in their management of the retained line, and that Mundy's employees were negligent in their attempt to unclog the drainpipe prior to the explosion," according to case No. 19-1643, consolidated by the 4th U.S. Circuit Court of Appeals in Richmond, Virginia.

Eastman moved to dismiss the suits, contending that the contractors qualified as Eastman's "statutory employees" under the South Carolina Workers' Compensation Law and that workers compensation was their exclusive remedy, and that the courts lacked jurisdiction to hear their claims. The district court agreed and dismissed the lawsuits.

In overturning that decision and remanding the case, the appeals court cited a 2019 ruling by the South Carolina Supreme Court in *Keene v. CNA Holdings LLC*, saying that "when an employer makes a 'legitimate business decision' to outsource a portion of its work, the contractors it hires to perform that work are not 'statutory employees' for workers compensation purposes."



## Insurer off hook in crash litigation

■ The insurer of a car dealership that owned a car that suddenly accelerated into a group of attendees at an auction, killing five people, does not have to provide coverage in the subsequent litigation, a federal appeals court ruled in affirming a lower court decision.

Merrimack, New Hampshire-based Nashua Automotive LLC received a 2006 Jeep Grand Cherokee in a 2017 trade-in and arranged for Billerica, Massachusetts-based Lynnway Auto Auction Inc. to auction the vehicle, according to the ruling by the 1st U.S. Circuit Court

of Appeals in Boston in *Motorists Commercial Mutual Insurance Co. v. Roger Hartwell; Lynnway Auto Auction Inc.*

In May 2017, while the Jeep was being put up for auction inside Lynnway's Billerica facility, it accelerated into a crowd, killing five people and causing multiple serious injuries, according to the ruling.

The victims and their estates filed a series of lawsuits in Massachusetts state court against Lynnway, associated entities and Mr. Hartwell, a Lynnway employee who was in the driver's seat at the time of the accident.

Dealership insurer Motorist Commercial, based in Columbus, Ohio, filed suit in U.S. District Court in Boston, seeking a declaration its policies did not cover the auctioneer or Mr. Hartwell. The district court ruled in the insurer's favor and was affirmed by a unanimous three-judge appeals court panel.

A policy exclusion excepted from the definition of insureds a third party that is in the business of selling the dealership's autos, the ruling said.

"No reasonable insured that procured the policy would ordinarily have any interest in paying for a policy that provided coverage for another person who works for another unrelated seller of autos," the ruling said.

## Pro-policyholder COVID ruling upheld

■ A Pennsylvania appeals court upheld a lower court ruling in favor of a dental office that sued CNA Financial Corp. for COVID-19-related business interruption coverage.

Last year, in *Timothy A. Ungarean d/b/a Smile Savers Dentistry P.C. v. CNA and Valley Forge Insurance Co.*, the Court of Common Pleas of Allegheny County granted summary judgment to Dr. Ungarean.

CNA had argued that business interruption coverage should only be triggered if there was damage to the property.

Among other things, the policy stated that business interruption coverage was triggered "by direct physical loss of or damage to property at the described premises" and the lower court ruled that the use of the word "or" showed that the concepts of "loss" and "damage" were separate. Loss could be interpreted to include loss of possession, such as via COVID-19-related lockdowns that forced numerous businesses to close offices or suspend operations.

The Superior Court of Pennsylvania in Harrisburg upheld the lower court ruling, saying that "based primarily on the trial court's thoughtful opinion, we affirm the court's order granting summary judgment and declaring that coverage is owed to Ungarean for his COVID-related business losses under the specific terms of the CNA Policy."

## DOCKET



### LOUIS VUITTON FACES BIOMETRIC LAWSUIT

A federal district court in New York refused to dismiss a putative class-action lawsuit filed under Illinois' Biometric Privacy Act against fashion designer Louis Vuitton in connection with its website's eyeglass "Virtual Try-On" feature. Illinois residents Paula Theriot and Cheryl Doyle charged that the Paris-based luxury fashion designer, whose U.S. headquarters is in New York, violated the act by collecting customers' "facial geometry" information via its try-on tool without providing them with a written notice of the collection, its purpose and its length of time.

### WALMART SETTLES PRESCRIPTION CASE

Walmart Inc. agreed to a \$500,000 settlement with Massachusetts for allegedly violating the state's prescription pricing procedures designed to keep workers compensation costs down. The retailer did not admit any wrongdoing in connection with the settlement. Massachusetts sets limits on the costs of medications prescribed to injured workers and mandates that companies validate prices against specific regulatory benchmarks before processing charges. The state earlier reached similar settlements with Express Scripts Inc., Optum Rx Inc., Stop & Shop Supermarket Co. LLC, United Pharmacy Services LLC and Walgreens Co.

### TINA TURNER MUSICAL DUE COVID COVERAGE

A Broadway musical based on the life and music of Tina Turner that was canceled because of COVID-19 is entitled to coverage from a Chubb Ltd. unit, a New York state appeals court ruled in affirming a lower court ruling. A three-judge panel of the New York Supreme Court, appellate division, first judicial department, affirmed the decision that a communicable disease exclusion in coverage provided by Chubb unit Chubb Insurance Co. of Europe SE did not apply to the production of "TINA: The Tina Turner Musical."

BUSINESS INSURANCE®

# WORLD CAPTIVE FORUM

FEBRUARY 1-3, 2023

DORAL HOTEL & RESORT  
MIAMI, FLORIDA

LEARN MORE & REGISTER: [www.WorldCaptiveForum.com](http://www.WorldCaptiveForum.com)

## REGISTRATION OPEN

*THE HOTEL ROOM BLOCK DEADLINE IS JANUARY 10.*

*FREE registration for captive owners and prospective captive owners.\**

### ABOUT WORLD CAPTIVE FORUM

Celebrating its 32nd year, the **2023 World Captive Forum** will address new and emerging risks facing companies and organizations worldwide, demonstrating how captives can offer solutions that may not be available in the traditional insurance marketplace. A domicile-neutral conference, the **World Captive Forum** provides in-depth, high-caliber educational content to risk managers, benefit managers and financial executives whose organizations have risks insured by a captive or who are exploring the formation of one. The meeting also draws leading providers of captive services, including captive management, legal, accounting, actuarial, claims, asset management, fronting and many other services, as well as numerous regulators and representatives from major domiciles. Additionally, delegates to the **WCF** enjoy unparalleled networking and business opportunities.

### THANK YOU TO OUR SPONSORS

**DIAMOND:**



**GOLD:**



**SILVER:**



**SPONSOR/EXHIBIT INFORMATION:** Susan Stilwill | Head of Sales - Events | 312-636-7222 | [sstilwill@businessinsurance.com](mailto:sstilwill@businessinsurance.com)

*\*All registrations are subject to approval by Business Insurance.*



Alex Sun took the helm as CEO of San Diego-based Enlyte LLC in 2021, when it was formed through the merger of three companies in the workers compensation sector: Coventry Workers Comp Services, Genex Services LLC and Mitchell International Inc. Mr. Sun was formerly CEO of Mitchell, which he joined in 2001. Prior to that, he spent a decade in the banking and financial services industry. He spoke with Assistant Editor Louise Esola about the benefits of combining the operations and challenges in the workers compensation arena. Edited excerpts follow.

## Alex Sun

ENLYTE

**Q** Enlyte is a company formed from three companies. What is the vision now?

**A** Our principal mission is to assist our clients and help them restore the lives of their customers after a challenging event. We've defined that as trying to have the greatest impact on claims outcomes. So, part of that was making sure that we had leading capabilities across all solutions that help address the medical claims cost side of the equation, as well as services that focus on the injured worker and getting them back to work. We're about having maximum medical improvement. So really the vision for the parent company of Mitchell, Genex, and Coventry was bringing the leading providers of technology, clinical and network solutions all together in one organization where if we do our jobs we will leverage the intersections to create better outcomes for our clients.

**Q** How do mergers such as this help clients best?

**A** As we look out into the future, it is important to be a skilled provider. So, it's making sure that you have all the right infrastructure, the information security investments, and product and service quality. A deep focus on the customer and a strong analytics platform are part and parcel of being an excellent provider. What we were also trying to do on top of that is identify where there's connectivity between software solutions, clinical solutions and network solutions, and take advantage of those connections to try to deliver better outcomes to our customers, be it greater efficiency or claims handling. We want a better ability to serve the injured worker efficiently with high levels of communication quality, and to also optimize the process.

**Q** What are some of the challenges facing the industry?

**A** Probably one that almost seems to be universally discussed in the last year has been the challenging labor environment. P&C insurance has always had some challenges with respect to

making sure that we have a vibrant workforce, but I think that given the pandemic and the Great Resignation, that the challenges increased, be it on clinical staff, claims adjusting teams, or certainly anything involving technology. I think there are a lot of ways that we've all learned to address the challenges. First, we learned during the first period of the COVID pandemic, when everybody went into remote work environments, that a transition to a remote workforce ultimately became a capability that we all became pretty comfortable with.



And as we continue to all strive to be employers of choice, I think we are now adjusting our workplace strategies to be more accommodated to the needs of employees so that we can remain that employer of choice. So, many of us are trying to be more flexible just to save on commutes, or to improve work-life balance, because this is an industry that demands a lot from people.

**Q** What are top trends to watch?

**A** A dynamic legislative and regulatory environment. Inflation is also something that we have to contend with — medical inflation or the inflation associated with repairing a vehicle. Lastly, there continues to be a challenging liability environment and nuclear verdicts.

**Q** A trend we have been following is the advocacy model for treating injured workers. How has this evolved in recent years?

**A** We're focused on trying to help an injured party navigate this system through a focus on the whole person. I think that's what we've seen. Particularly in the last year, there's been a focus on mental health and other things that may not be directly related to the physical expression of an injury but something that may be in the background. It could be everything, including diet and medical conditions related to where you live, and whether you have ready access to basic medical services. All of that becomes part of helping someone navigate their treatments and getting back to work as quickly as possible.

**Q** How does the company best balance its objectives along with caring for injured workers?

**A** Caring for injured workers is central to our mission. We focus both on the injured worker through clinical services as well as trying to drive greater efficiency and accuracy in the claims-handling process, so that there is a focus on total cost of claims. Obviously, there's a very deep focus on the injured worker and making sure that they get back to work because that's an important aspect of controlling claims costs, including the medical claims cost side of the equation.

**Q** What do you like about what you do?

**A** I've always wanted to be part of something special — a community of people with a shared purpose. And I wanted that purpose to be meaningful. And so we take our mission very seriously, which is to provide support to our customers as they try to restore the lives of their clients after a challenging event. To me that is very, very important work. Insurance is woven deep into the fabric of society, and so we in our small way can help deliver on the promise of the insurance industry. It's a very personal thing for myself and the nearly 6,000 associates that we have here at Enlyte. And I think it's a very important part of our culture.

Particularly in the last year, there's been a focus on mental health and other things that may not be directly related to the physical expression of an injury but something that may be in the background.

# INSURANCE

## BY THE NUMBERS

**IN THIS SPECIAL** data and rankings issue of *Business Insurance*, we bring you our proprietary rankings from the past year plus other industry data to present a numerical overview of the commercial insurance market, from retail brokers to reinsurers and cyber insurers to captive managers.

For more information on rankings and research, visit [www.BusinessInsurance.com](http://www.BusinessInsurance.com) and click on the “Research & Reports” tab.

## 100 LARGEST BROKERS OF U.S. BUSINESS\*

Ranked by 2021 brokerage revenue generated by U.S.-based clients

2022 rank	2021 rank	Company	2021 U.S. brokerage revenue	% increase (decrease)	2022 rank	2021 rank	Company	2021 U.S. brokerage revenue	% increase (decrease)
1	1	Marsh & McLennan Cos. Inc. <sup>1</sup>	\$9,333,730,000	15.0%	51	46	Lawley LLC <sup>18</sup>	\$90,546,959	4.1%
2	2	Aon PLC	\$5,455,224,500	8.7%	52	51	Horton Group Inc.	\$89,081,572	11.0%
3	4	Arthur J. Gallagher & Co. <sup>1</sup>	\$4,667,287,000	13.1%	53	56	Sunstar Insurance Group	\$86,100,000	19.6%
4	3	Willis Towers Watson PLC <sup>1</sup>	\$4,501,260,000	5.2%**	54	52	Towne Insurance Agency LLC	\$82,062,170	4.7%
5	5	Brown & Brown Inc. <sup>1</sup>	\$2,992,057,100	15.5%	55	55	James A. Scott & Son Inc., dba Scott Insurance	\$80,182,080	11.3%
6	6	Truist Insurance Holdings Inc. <sup>1</sup>	\$2,862,673,000	17.6%	56	NR	Keystone Agency Partners <sup>1</sup>	\$80,000,000	233.3%
7	9	Acrisure LLC	\$2,690,011,392	43.8%	57	57	Sterling Seacrest Pritchard Inc.	\$77,371,256	11.7%
8	10	Alliant Insurance Services Inc. <sup>1</sup>	\$2,608,702,137	46.8%	58	54	Houchens Insurance Group Inc. <sup>9</sup>	\$73,287,105	1.6%
9	7	Hub International Ltd. <sup>1</sup>	\$2,419,787,250	16.5%	59	59	Starkweather & Shepley Insurance Brokerage Inc. <sup>1</sup>	\$71,960,481	8.7%
10	8	USI Insurance Services LLC <sup>1</sup>	\$2,148,838,923	11.4%	60	63	Shepherd Insurance LLC <sup>1</sup>	\$68,325,022	15.4%
11	11	AssuredPartners Inc. <sup>1</sup>	\$2,015,419,025	19.4%	61	60	The Graham Co.	\$68,300,777	8.3%
12	12	Lockton Cos. LLC <sup>2</sup>	\$1,975,936,860	24.8%**	62	61	Huntington Insurance Inc.	\$65,789,460	5.2%
13	13	NFP Corp. <sup>1</sup>	\$1,571,155,405	18.6%**	63	62	Sterling & Sterling LLC, dba SterlingRisk	\$62,552,054	1.0%
14	14	BroadStreet Partners Inc.	\$1,145,200,000	33.1%	64	NR	Alkeme Inc. <sup>1</sup>	\$61,320,000	104.4%
15	17	Alera Group <sup>1,3</sup>	\$931,000,000	60.5%**	65	64	Moreton & Co.	\$61,084,000	10.3%**
16	16	RSC Insurance Brokerage Inc., dba Risk Strategies Co. <sup>1</sup>	\$926,518,958	45.2%**	66	66	Robertson Ryan & Associates Inc.	\$58,369,855	8.7%
17	15	Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants <sup>1</sup>	\$892,077,000	11.1%	67	65	Bowen, Miclette & Britt Insurance Agency LLC <sup>1</sup>	\$54,166,796	(2.5%)
18	19	Baldwin Risk Partners LLC	\$719,320,000	68.8%	68	90	Oakbridge Insurance Agency LLC <sup>1</sup>	\$52,920,000	73.5%
19	18	Digital Insurance Inc., dba OneDigital <sup>1</sup>	\$672,415,000	30.2%**	69	67	Frost Insurance Agency Inc.	\$52,516,669	2.7%
20	27	PCF Insurance Services	\$590,000,000	151.1%	70	NR	Professional Insurance Associates Inc.	\$52,000,000	4.0%
21	20	Higginbotham <sup>1</sup>	\$450,393,000	42.5%	71	70	Fisher Brown Bottrell Insurance Inc.	\$50,182,592	9.8%
22	21	IMA Financial Group Inc. <sup>1</sup>	\$448,034,424	55.3%**	72	71	HMS Insurance Associates Inc.	\$47,693,864	5.0%
23	23	The Hilb Group LLC <sup>1</sup>	\$402,247,000	54.3%	73	73	The Partners Group Ltd.	\$47,619,543	9.0%
24	22	Leavitt Group <sup>1</sup>	\$354,192,000	21.7%	74	72	M&O Agencies Inc., dba The Mahoney Group <sup>1</sup>	\$46,978,548	6.2%
25	47	Foundation Risk Partners Corp. <sup>4</sup>	\$327,629,000	46.3%**	75	78	Christensen Group Inc.	\$45,173,206	15.9%
26	58	High Street Insurance Partners Inc. <sup>1</sup>	\$291,000,000	330.1%	76	74	The Loomis Co.	\$44,748,000	6.9%
27	24	CBIZ Benefits & Insurance Services Inc.	\$281,900,000	14.5%	77	76	Charles L. Crane Agency Co.	\$43,951,368	8.1%**
28	31	Woodruff Sawyer & Co.	\$272,783,778	37.9%**	78	77	MJ Insurance Inc. <sup>1,10</sup>	\$42,735,624	6.4%
29	26	Cottingham & Butler Inc.	\$266,865,000	11.0%	79	69	First Insurance Group LLC	\$41,899,874	4.0%**
30	28	Insurance Office of America Inc.	\$255,590,865	8.8%	80	79	James G. Parker Insurance Associates <sup>5</sup>	\$40,692,000	6.9%
31	25	Holmes Murphy & Associates Inc.	\$253,052,660	4.8%	81	83	Kapnick Insurance Group	\$40,615,129	13.9%
32	30	Cross Financial Corp., dba Cross Insurance <sup>1</sup>	\$247,523,000	15.1%	82	82	R&R Insurance Services Inc.	\$39,891,000	9.6%
33	29	Paychex Insurance Agency Inc. <sup>5</sup>	\$246,000,000	6.0%	83	85	Rich & Cartmill Inc.	\$39,353,785	13.9%
34	53	World Insurance Associates LLC <sup>1</sup>	\$224,438,434	188.0%	84	81	Ansay & Associates LLC <sup>1</sup>	\$37,929,997	1.9%**
35	37	Patriot Growth Insurance Services LLC <sup>1</sup>	\$214,870,000	72.8%	85	86	The Buckner Co. Inc.	\$37,602,723	15.1%
36	39	Relation Insurance Inc. <sup>1</sup>	\$179,340,000	54.9%	86	80	M&T Insurance Agency Inc.	\$37,500,000	1.6%
37	34	Hylant Group Inc.	\$161,164,159	10.2%	87	101	Reliance Partners LLC	\$36,330,000	84.5%**
38	33	Unison Risk Advisors <sup>1</sup>	\$149,621,937	2.3%	88	84	Haylor, Freyer & Coon Inc. <sup>1,10</sup>	\$35,640,000	2.9%
39	32	Heffernan Group <sup>1</sup>	\$146,880,177	26.4%**	89	87	Tompkins Insurance Agencies Inc.	\$35,319,000	8.9%
40	40	Newfront Insurance <sup>6</sup>	\$145,000,000 <sup>7</sup>	28.9%	90	88	Tricor LLC <sup>1</sup>	\$34,786,969	6.4%**
41	45	Cobbs Allen/CAC Specialty	\$142,121,129	58.7%	91	101	The Plexus Groupe LLC	\$33,313,237	20.2%**
42	38	Insurica Inc. <sup>1</sup>	\$138,081,872	12.5%	92	NR	Pacwest Alliance Insurance Services Inc.	\$32,882,324	N/A
43	36	BXS Insurance <sup>1</sup>	\$135,345,376	8.0%	93	91	Ross & Yerger Insurance Inc.	\$31,400,041	7.6%
44	35	Ameritrust Group Inc.	\$122,153,943	(5.8%)	94	94	The Daniel & Henry Co.	\$30,448,000	10.4%
45	74	The Liberty Co. Insurance Brokers Inc. <sup>1</sup>	\$105,000,000	159.2%	95	92	Swingle, Collins & Associates	\$29,715,208	5.4%
46	48	Marshall & Sterling Enterprises Inc. <sup>1</sup>	\$103,772,158	25.4%	96	99	York International Agency LLC	\$28,320,588	19.8%
47	44	TrueNorth Cos. LLC	\$103,393,239	10.7%	97	96	Gibson Insurance Agency Inc., dba Gibson	\$27,907,000	2.8%**
48	43	Insurors Group LLC	\$97,938,952	2.0%	98	NR	UNICO Group Inc.	\$27,875,000	19.5%
49	42	Eastern Insurance Group LLC <sup>1</sup>	\$97,167,664	0.4%	99	98	Engle-Hambright & Davies Inc. <sup>11</sup>	\$27,849,860	5.0%**
50	50	M3 Insurance Solutions Inc. <sup>1</sup>	\$91,615,379	12.2%	100	95	Moody Insurance Agency Inc.	\$24,440,794	6.6%**

\*Companies that derive more than 49% of their gross revenue from personal lines are not ranked. \*\*2020 brokerage revenue restated. NR = not ranked. <sup>1</sup>Reported U.S. acquisitions. <sup>2</sup>Fiscal year ending April 30. <sup>3</sup>Acquired Propel Insurance, Sept. 8, 2021. <sup>4</sup>Formerly Acentria Insurance and Corporate Synergies Group LLC, reporting under parent company. <sup>5</sup>Fiscal year ending May 31. <sup>6</sup>Formerly ABD Insurance and Financial Services Inc., merged with Newfront Insurance Services LLC, Aug. 19, 2021. <sup>7</sup>BI estimate. <sup>8</sup>Formerly Lawley Service Inc. <sup>9</sup>Fiscal year ending Sept. 30. <sup>10</sup>Fiscal year ending Aug. 31. <sup>11</sup>Formerly EHD Insurance Inc.

Source: BI survey

# DATA & RANKINGS

## FASTEST GROWING BROKERS

Rank	Company	% increase
1	High Street Insurance Partners Inc.	330.1%
2	Keystone Agency Partners	233.3%
3	World Insurance Associates LLC	188.0%
4	The Liberty Co. Insurance Brokers Inc.	159.2%
5	PCF Insurance Services	151.1%
6	Alkeme Inc.	104.4%
7	Reliance Partners LLC	84.5%
8	Oakbridge Insurance Agency LLC	73.5%
9	Patriot Growth Insurance Services LLC	72.8%
10	Baldwin Risk Partners LLC	68.8%

Source: BI survey



## MOST PRODUCTIVE BROKERS

Rank	Company	Brokerage revenue per employee
1	Woodruff Sawyer & Co.	\$464,708
2	Cobbs Allen/CAC Specialty	\$444,851
3	York International Agency LLC	\$429,100
4	HMS Insurance Associates Inc.	\$353,288
5	Truist Insurance Holdings Inc.	\$351,593
6	The Graham Co.	\$325,242
7	Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants	\$315,222
8	RSC Insurance Brokerage Inc., dba Risk Strategies Co.	\$292,013
9	Lockton Cos. LLC	\$289,779
10	Starkweather & Shepley Insurance Brokerage Inc.	\$288,998

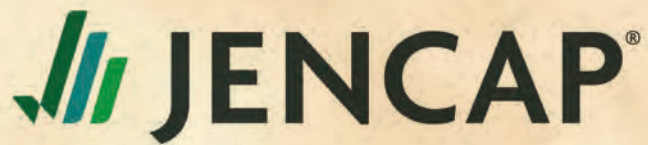
Source: BI survey

## LARGEST PRIVATELY OWNED BROKERS

Rank	Company	2021 brokerage revenue
1	Hub International Ltd.	\$3,226,383,000
2	Acrisure LLC	\$2,816,765,855
3	Lockton Cos. LLC <sup>1</sup>	\$2,703,060,000
4	Alliant Insurance Services Inc.	\$2,613,929,997
5	USI Insurance Services LLC	\$2,170,544,367
6	AssuredPartners Inc.	\$2,040,310,817
7	NFP Corp.	\$1,726,544,401
8	BroadStreet Partners Inc.	\$1,145,200,000
9	RSC Insurance Brokerage Inc., dba Risk Strategies Co.	\$955,174,183
10	Alera Group <sup>1</sup>	\$931,000,000

<sup>1</sup>Acquired Propel Insurance, Sept. 18, 2021  
Source: BI survey





WE PICTURE  
THE WORST  
FOR YOU.

WHOLESALE BROKERAGE | BINDING AUTHORITY | EXCLUSIVE PROGRAMS

[JencapGroup.com](http://JencapGroup.com)

# DATA & RANKINGS



## WORLD'S LARGEST INSURANCE BROKERS

Rank	Company	2021 brokerage revenue
1	Marsh & McLennan Cos. Inc.	\$19,859,000,000
2	Aon PLC	\$12,185,000,000
3	Willis Towers Watson PLC	\$8,826,000,000
4	Arthur J. Gallagher & Co.	\$6,966,100,000
5	Hub International Ltd.	\$3,226,383,000
6	Brown & Brown Inc.	\$3,047,522,000
7	Truist Insurance Holdings Inc.	\$2,862,673,000
8	Acrisure LLC	\$2,816,765,855
9	Lockton Cos. LLC	\$2,703,060,000
10	Alliant Insurance Services Inc.	\$2,613,929,997

Source: BI survey

## LARGEST U.S. INSURERS

Rank	Company	2021 direct premium written	Market share
1	State Farm	\$70,311,695,000	8.8%
2	Berkshire Hathaway Inc.	\$51,603,818,000	6.4%
3	Progressive Casualty Insurance Co.	\$47,758,298,000	6.0%
4	Allstate Corp.	\$41,387,729,000	5.2%
5	Liberty Mutual Holding Co. Inc.	\$39,022,757,000	4.9%
6	Travelers Cos. Inc.	\$30,920,023,000	3.9%
7	Chubb Ltd.	\$27,122,466,000	3.4%
8	United Services Automobile Association	\$25,250,872,000	3.2%
9	Farmers Insurance Group	\$25,009,069,000	3.1%
10	Nationwide Mutual Insurance Co.	\$19,435,641,000	2.4%

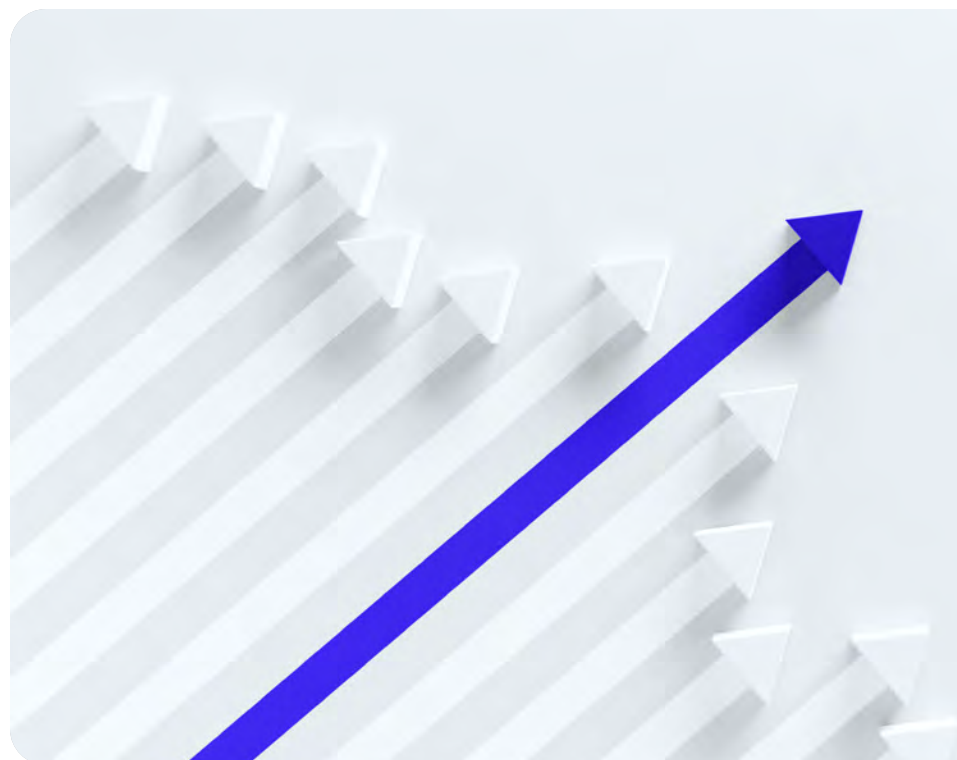
Source: National Association of Insurance Commissioners



## LARGEST U.S. COMMERCIAL RETAIL BROKERS

Rank	Company	2021 U.S. commercial retail revenue
1	Marsh & McLennan Cos. Inc.	\$5,342,000,000
2	Aon PLC	\$2,971,000,000
3	Arthur J. Gallagher & Co.	\$1,873,719,000
4	Acrisure LLC	\$1,634,042,761
5	Alliant Insurance Services Inc.	\$1,436,223,677
6	Lockton Cos. LLC	\$1,260,231,000
7	Hub International Ltd.	\$1,188,868,000
8	Willis Towers Watson PLC	\$1,065,000,000
9	Brown & Brown Inc.	\$1,047,857,835
10	AssuredPartners Inc.	\$1,044,687,048

Source: BI survey



## LARGEST MEDICAL PROFESSIONAL LIABILITY INSURERS

Rank	Company	2021 direct written premiums	Market share
1	Berkshire Hathaway Inc.	\$1,944,101,000	17.4%
2	The Doctors Co.	\$1,070,669,000	9.6%
3	ProAssurance Corp.	\$739,157,000	6.6%
4	CNA Financial Corp.	\$638,680,000	5.7%
5	Coverys Insurance Group	\$574,677,000	5.1%
6	Mag Mutual Insurance Co.	\$417,943,000	3.7%
7	MCIC Vermont Inc.	\$384,988,000	3.4%
8	Liberty Mutual Holdings Co. Inc.	\$307,729,000	2.8%
9	Chubb Ltd.	\$201,437,000	1.8%
10	MMIC Insurance Inc.	\$187,775,000	1.7%

Source: National Association of Insurance Commissioners



## LARGEST WORKERS COMPENSATION INSURERS

Rank	Company	2021 direct premium written	Market share
1	Travelers Cos. Inc.	\$3,547,060,000	6.4%
2	Hartford Fire & Casualty Group	\$3,293,777,000	6.0%
3	AmTrust Financial Services Inc.	\$2,449,896,000	4.4%
4	Zurich Insurance Co.	\$2,347,464,000	4.3%
5	Chubb Ltd.	\$2,182,176,000	4.0%
6	Liberty Mutual Holding Co. Inc.	\$1,984,896,000	3.6%
7	Berkshire Hathaway Inc.	\$1,885,901,000	3.4%
8	State Insurance Fund	\$1,733,104,000	3.1%
9	Blue Cross Blue Shield of Michigan	\$1,667,442,000	3.0%
10	Washington State Fund	\$1,615,275,000	2.9%

Source: National Association of Insurance Commissioners

## LARGEST BENEFITS BROKERS

Rank	Company	2021 employee benefits revenue
1	Marsh & McLennan Cos. Inc.	\$5,254,000,000
2	Willis Towers Watson PLC	\$5,042,000,000
3	Aon PLC	\$2,154,000,000
4	Arthur J. Gallagher & Co.	\$1,365,997,000
5	Hub International Ltd.	\$922,410,000
6	USI Insurance Services LLC	\$902,623,306
7	NFP Corp.	\$891,755,280
8	Lockton Cos. LLC	\$754,207,000
9	Alliant Insurance Services Inc.	\$568,969,413
10	Brown & Brown Inc.	\$560,764,636

Source: BI survey



# DATA & RANKINGS

## WORLD'S LARGEST REINSURANCE BROKERS

Rank	Company	2021 gross revenue
1	Aon's Reinsurance Solutions	\$1,997,000,000
2	Guy Carpenter & Co. LLC	\$1,867,000,000
3	Gallagher Re <sup>1</sup>	\$925,000,000 <sup>2</sup>
4	Howden Re <sup>3</sup>	\$220,000,000 <sup>2</sup>
5	TigerRisk Partners LLC <sup>3</sup>	\$160,000,000 <sup>2</sup>
6	Lockton Reinsurance <sup>4</sup>	\$155,405,000
7	McGill and Partners Ltd.	\$123,000,000
8	Miller Insurance Services LLP	\$120,000,000
9	UIB Holdings (UK) Ltd.	\$78,148,456
10	Holborn Corp.	\$50,300,000

<sup>1</sup>Acquired Willis Re on Dec. 1, 2021. <sup>2</sup>B/I estimate. <sup>3</sup>Howden Group Holding announced June 9, 2022, that it has entered into an agreement to acquire TigerRisk Partners LLC. The deal is expected to close in Q1, 2023, subject to regulatory approval. <sup>4</sup>Formerly Lockton Re.  
Source: B/I survey



## WORLD'S LARGEST REINSURERS

Rank	Company	2021 gross reinsurance premium written
1	Munich Reinsurance Co.	\$46,836,000,000
2	Swiss Re Ltd.	\$39,202,000,000
3	Hannover Rück SE <sup>1</sup>	\$31,442,000,000
4	Canada Life Re	\$23,547,000,000
5	SCOR SE	\$19,933,000,000
6	Berkshire Hathaway Inc.	\$19,906,000,000
7	Lloyd's of London <sup>2</sup>	\$19,342,000,000
8	China Reinsurance (Group) Corp.	\$17,808,000,000
9	Reinsurance Group of America Inc.	\$13,348,000,000
10	Everest Re Group Ltd.	\$9,067,000,000

<sup>1</sup>Net premium written data not reported; net premium earned substituted. <sup>2</sup>Lloyd's premiums are for reinsurance only. Premiums for certain groups in the rankings also may include Lloyd's Syndicate premiums when applicable.  
Source: A.M. Best Co. Ltd.

## LARGEST SPECIALTY INTERMEDIARIES

Rank	Company	2021 premium volume
1	Amwins Group Inc.	\$29,294,483,130
2	CRC Group <sup>1</sup>	\$24,457,198,803
3	Ryan Specialty LLC	\$16,700,000,000
4	Risk Placement Services Inc.	\$5,500,000,000
5	Bridge Specialty Group <sup>2</sup>	\$4,192,415,000
6	Victor Insurance Holdings	\$2,950,000,000
7	Specialty Program Group LLC <sup>3</sup>	\$2,621,315,094
8	One80 Intermediaries Inc.	\$2,236,352,697
9	Burns & Wilcox Ltd.	\$2,185,000,000
10	AmRisc LLC	\$2,169,015,915

<sup>1</sup>Formerly CRC Insurance Services Inc. <sup>2</sup>Formerly Brown & Brown Inc. <sup>3</sup>Includes Program Brokerage Corp.  
Source: BI survey



## LARGEST PROPERTY/CASUALTY WHOLESALERS

Rank	Company	2021 premium volume
1	Amwins Group Inc.	\$23,839,400,267
2	Ryan Specialty LLC	\$16,700,000,000
3	CRC Group <sup>1</sup>	\$14,749,606,120
4	Bridge Specialty Group <sup>2</sup>	\$4,192,415,000
5	Jencap Group LLC	\$2,100,000,000
6	Brown & Riding Insurance Services Inc.	\$1,565,145,726
7	U.S. Risk Insurance Group LLC	\$1,101,000,000
8	ARC Excess & Surplus LLC	\$994,000,000
9	Socius Insurance Services Inc.	\$382,000,000
10	Evolution Insurance Brokers LC	\$252,651,919

<sup>1</sup>Formerly CRC Insurance Services Inc. <sup>2</sup>Formerly Brown & Brown Inc.  
Source: BI survey



## LARGEST MGAs/UNDERWRITING MANAGERS/LLOYD'S COVERHOLDERS

Rank	Company	2021 premium volume	Rank	Company	2021 premium volume
1	Risk Placement Services Inc.	\$5,500,000,000	6	Specialty Program Group LLC <sup>1</sup>	\$2,085,996,946
2	Victor Insurance Holdings	\$2,950,000,000	7	Johnson & Johnson Inc.	\$801,124,091
3	Burns & Wilcox Ltd.	\$2,185,000,000	8	SageSure	\$794,900,000
4	AmRisc LLC	\$2,169,015,915	9	XPT Specialty	\$511,000,000
5	One80 Intermediaries Inc.	\$2,098,654,394	10	K&K Insurance Group Inc.	\$368,000,000

<sup>1</sup>Includes Program Brokerage Corp.  
Source: BI survey

# DATA & RANKINGS



## LARGEST U.S.-BASED SURPLUS LINES INSURERS

Rank	Company	2021 nonadmitted direct premiums
1	National Fire & Marine Insurance Co.	\$3,409,023,818
2	WRB <sup>1</sup>	\$2,841,668,138
3	Nationwide Excess and Surplus <sup>2</sup>	\$2,598,959,050
4	AEGIS (Associated Electric & Gas Insurance Services Inc.)	\$2,377,763,000
5	Chubb Group Ltd. <sup>3</sup>	\$2,368,078,979
6	Lexington Insurance Co.	\$2,352,015,808
7	Liberty Mutual Holding Co. Inc.	\$2,191,882,900
8	Markel Corp.	\$2,056,583,744
9	Indian Harbor Insurance Co.	\$1,915,384,066
10	AIG Specialty Insurance Co.	\$1,387,651,276

<sup>1</sup>Formerly W.R. Berkley Corp. <sup>2</sup>Includes Freedom Specialty Insurance Co., National Casualty Co., Scottsdale Indemnity Co., Scottsdale Insurance Co., Scottsdale Surplus Lines Insurance Co. <sup>3</sup>Includes Chubb Custom Insurance Co., Executive Risk Specialty Insurance Co., Illinois Union Insurance Co., Westchester Surplus Lines Insurance Co.  
Source: BI survey

## LARGEST DIRECTORS AND OFFICERS LIABILITY INSURERS

Rank	Company	2021 direct premiums written	Market share
1	Axa SA	\$2,283,997,877	15.3%
2	Chubb Ltd.	\$1,356,649,170	9.1%
3	American International Group Inc.	\$1,207,981,192	8.1%
4	Tokio Marine Holdings Inc.	\$970,615,776	6.5%
5	Fairfax Financial Holdings Ltd.	\$861,647,640	5.8%
6	Berkshire Hathaway Inc.	\$605,892,772	4.1%
7	W. R. Berkley Corp.	\$597,391,965	4.0%
8	Sompo Holdings Inc.	\$551,508,120	3.7%
9	Zurich Insurance Group Ltd.	\$523,614,307	3.5%
10	CNA Financial Corp.	\$523,194,107	3.5%

Source: S&P Global Market Intelligence



## LARGEST THIRD-PARTY ADMINISTRATORS

Rank	Company	2021 gross revenue	Rank	Company	2021 gross revenue
1	Sedgwick Claims Management Services Inc.	\$4,040,019,560	6	Meritain Health	\$591,000,000
2	UMR Inc.	\$1,410,000,000	7	ESIS Inc.	\$413,400,000
3	Crawford & Co.	\$1,102,032,000	8	Helmsman Management Services LLC	\$379,456,993
4	Gallagher Bassett Services Inc.	\$1,100,362,091	9	Trustmark Health Benefits Inc.	\$230,000,000
5	CorVel Corp.	\$620,000,000	10	Cannon Cochran Management Services Inc., dba CCMSI	\$178,000,000

Source: BI survey



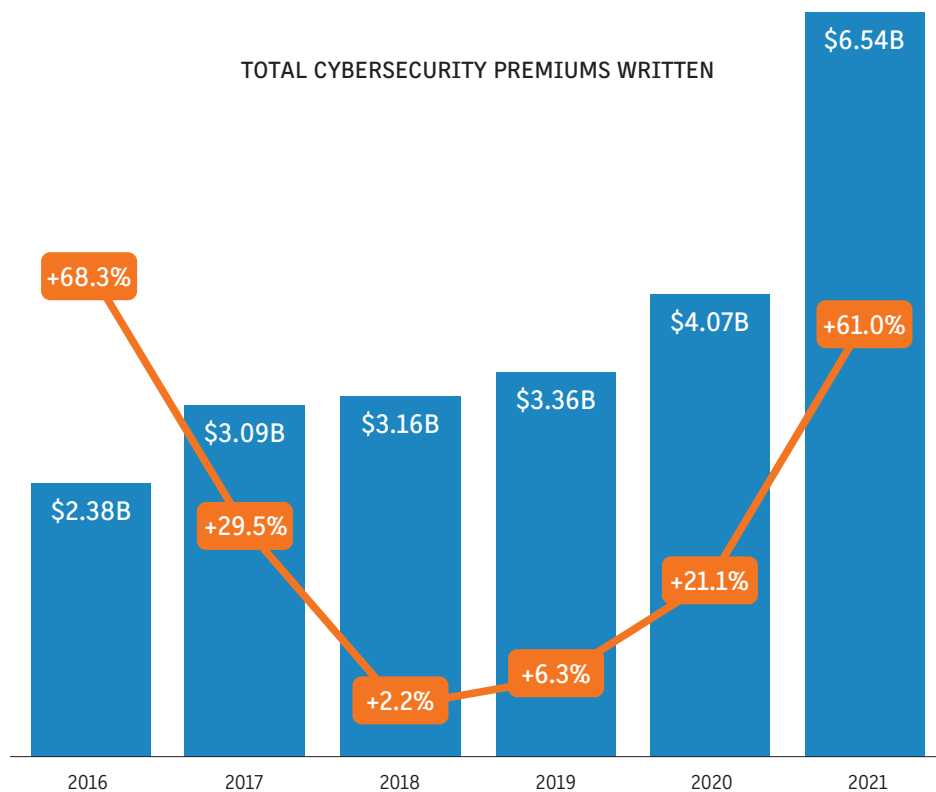
## LARGEST CYBER INSURERS

Rank	Company	2021 direct written premium	Market share
1	Chubb Ltd.	\$473,073,308	9.8%
2	Fairfax Financial Holdings Ltd.	\$436,447,801	9.0%
3	Axa Insurance Group	\$421,013,729	8.7%
4	Tokio Marine Holdings Inc.	\$249,785,218	5.2%
5	American International Group Inc.	\$240,613,748	5.0%
6	Travelers Cos. Inc.	\$232,276,831	4.8%
7	Beazley Insurance Co. Inc	\$200,877,555	4.2%
8	CNA Financial Group	\$181,382,785	3.8%
9	Arch Capital Group Ltd.	\$171,944,995	3.6%
10	Axis Capital Holdings Ltd.	\$159,059,212	3.3%

Source: National Association of Insurance Commissioners

## TOTAL CYBER COVERAGE

Total cyber coverage by U.S. domiciled insurers and alien surplus lines insurers



Source: National Association of Insurance Commissioners

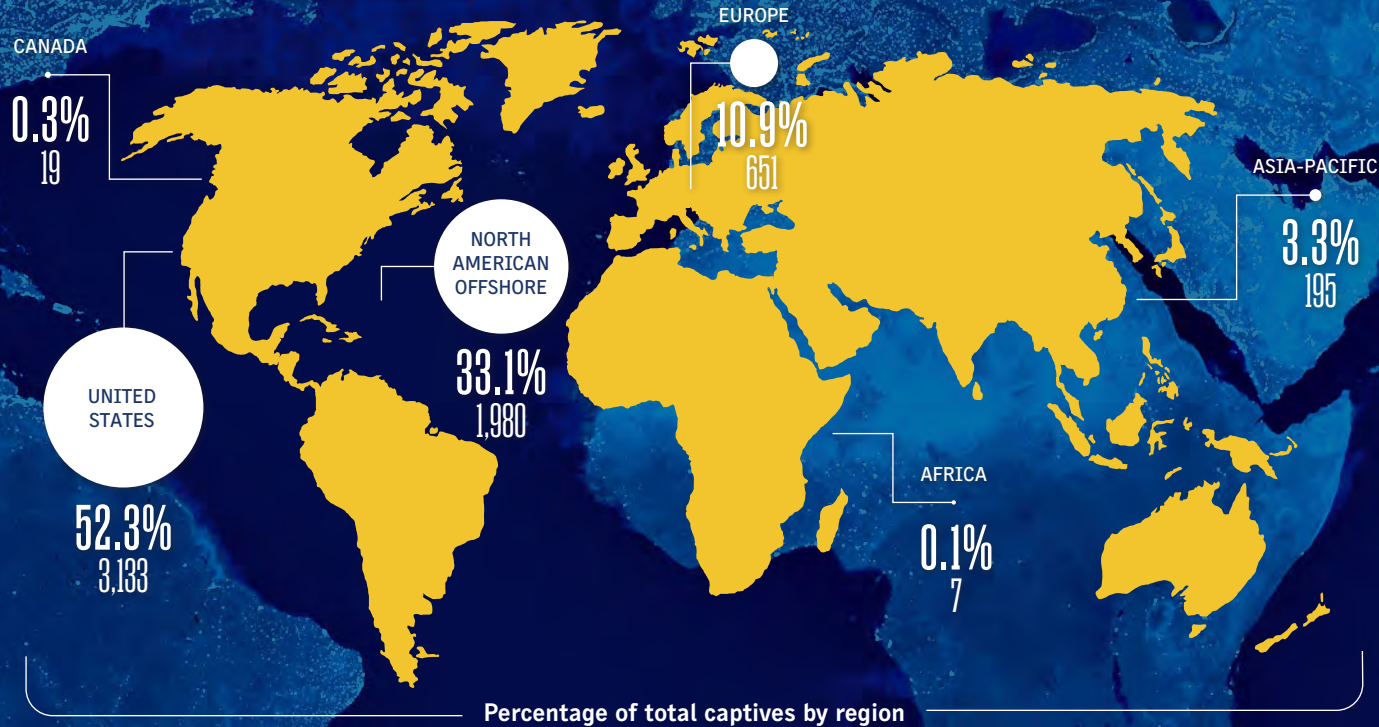


# DATA & RANKINGS

## ONSHORE/ OFFSHORE BY THE NUMBERS

There were 5,985 captives in 2021, not including microcaptives, series captives, or individual cells or cell members in protected cell companies.

Source: BI survey



## LARGEST CAPTIVE MANAGERS

Rank	Company	2021 total captives
1	Marsh Captive Solutions	1,501
2	Aon Captive & Insurance Management	990
3	Artex Risk Solutions Inc.	822
4	Strategic Risk Solutions Inc.	427
4	WTW, Global Captive Practice <sup>1</sup>	339
6	Risk Strategies Co. Captives <sup>2</sup>	223
7	Davies Captive Management	176
8	USA Risk Group	122
9	Brown & Brown Inc. <sup>3</sup>	101
10	Innovative Captive Strategies/Global Captive Management	94

<sup>1</sup>Formerly Willis Towers Watson PLC, Global Captive Practice. <sup>2</sup>Includes Atlas Insurance Management, Oxford Risk Management Group, Risk Management Advisors. <sup>3</sup>Formerly Beecher Carlson Insurance Services LLC

Source: BI survey



## LARGEST CAPTIVE DOMICILES

Rank	Domicile	Total number of captives at end of 2021
1	Bermuda	670
2	Cayman Islands	661
3	Vermont	620
4	Utah	384
5	Delaware	313
6	North Carolina	257
7	Barbados	253
8	Hawaii	251
9 (tie)	Luxembourg	192
9 (tie)	Guernsey	192

Source: BI survey



## Former Allianz cargo executive leads newly formed marine MGU

■ Marcato Marine Insurance Services LLC, a specialty marine underwriting agency offering project cargo limits up to \$147.5 million, has launched.

Backed by Beat Capital Partners Ltd., the Charlotte, North Carolina-based managing general underwriter is led by CEO and President Kevin Wolfe, who was most recently global head of project cargo at Allianz Global Corporate & Specialty SE.

Former Willis Towers Watson PLC broker Marquam Wolfe, former AGCS executive underwriter Jeffrey Hawkins and John Kiernan, previously

marine product line manager at Southern Insurance Underwriters Inc., have been named senior vice presidents.

Marcato will offer \$20 million in limits for cargo and warehouse, hull and protection and indemnity, and marine liability coverage on a primary and excess basis, as well as a \$147.5 million combined limit for project cargo and delay of startup coverage.

The company said it plans to offer inland marine coverage in the latter part of 2023.

Coverage will be available in all 50 states subject to regulatory approvals.



## Medical pot comp program launched

■ Bennabis Health Inc. has launched a program in New Mexico with Alta Vida, an Albuquerque-based cannabis dispensary, to help reimburse injured workers for their medical marijuana in workers compensation cases.

Cranford, New Jersey-based Bennabis said New Mexico is among the states that require reimbursement by insurers when medical marijuana is deemed a necessary alternative to opioids.

A Bennabis spokeswoman said in an email that the company acts as a conduit between the patient and the workers comp payor.

The spokeswoman said medical marijuana workers comp patients who cannot afford upfront costs for the medication can pick up marijuana from Alta Vida at no cost.

Bennabis then pays the dispensary for the medication and bills the workers comp payor, with the patient paying nothing to Bennabis, the spokeswoman said.



## CoreLogic rolls out climate risk analytics tool

■ CoreLogic Inc. said it has launched a climate risk analytics tool to help government agencies and businesses measure, model and mitigate the physical risks of climate change to the real estate industry through 2050.

The data and modeling platform provides a blended risk score for U.S. properties, leveraging Google Cloud data to provide detailed physical and structural insights, a breakdown of specific peril risks and each risk's potential financial impact, CoreLogic said in a statement.

"Helping organizations understand,

address and mitigate the effects of climate change with cloud technologies has become increasingly important for companies across industries around the world," Chandu Thota, general manager and vice president, engineering, at Google Cloud, said in the CoreLogic statement.



## MMA program to offer health center coverage

■ Marsh McLennan Agency, a unit of Marsh LLC, said it has launched an insurance program providing liability coverage for federally qualified health centers.

The program, backed by A-rated insurers, provides access to liability, auto and professional liability coverages packaged specifically for federally qualified community health centers.

Available limits are up to \$1 million per occurrence and a \$3 million aggregate for general liability, gap and abuse coverage. For excess liability, the limit is up to \$5 million, said Eric Beck, senior vice president of MMA's national non-profit practice.



## Core Specialty unveils habitational excess cover

■ Core Specialty Insurance Holdings Inc. announced the launch of Habitational Risk Facilities, an excess liability program covering habitational risks to be offered through program administrator Professional Risk Facilities Inc.

The program, the second from PRF to have Core Specialty capacity support, will provide excess coverage limits up to \$5 million, attaching between \$1 million and \$5 million, for risks in Connecticut, New Jersey, New York and Pennsylvania.

The program is designed for smaller apartments, condominiums, co-operatives and townhomes with incidental commercial occupancies and a maximum of 10 locations and 250 units. Habitational Risk Facilities will be distributed exclusively by PRF through wholesale distributors.

## DEALS & MOVES

### Ryan Specialty to buy Washington wholesaler

Ryan Specialty Holdings Inc. said it has agreed to buy Bellevue, Washington-based wholesaler and binding authority specialist Griffin Underwriting Services.

Griffin generates about \$23 million in annual revenue, a Ryan Specialty statement said.

Terms of the deal, which is expected to close this month, were not disclosed.

Griffin offers a range of coverages in specialty lines, including earthquake and transportation insurance.

### USI purchases legal malpractice brokerage

USI Insurance Services Inc. said it has acquired broker Ritman & Associates Inc. of Noblesville, Indiana.

Terms of the deal were not disclosed.

Ritman, founded in 1989, focuses on coverages for lawyers and professionals, small businesses and individuals.

Ritman's operations will be combined with USI Affinity, USI's program business division, which provides insurance, financial and risk management services to affinity organization members.

President Jennifer Ritman and the company's team, shown as nine on its website, will join USI Affinity.

### High Street acquires Virginia-based agency

Acquisitive insurance brokerage High Street Insurance Partners Inc. said it has bought Alexandria, Virginia-based agency Clarke & Sampson Insurance Inc.

Terms of the deal were not disclosed.

Clarke & Sampson has about 15 staff and handles commercial and personal lines insurance, including specialty coverage for political organizations and trade unions.

Private equity-backed High Street Insurance, based in Traverse City, Michigan, was formed by former Hub International Ltd. executives in 2018.

### Hub purchases California-based broker

Hub International Ltd. said it acquired Invensure Insurance Brokers Inc.

Terms of the deal were not disclosed.

Irvine, California-based Invensure offers commercial and personal insurance services, employee benefits and human resources consulting.



### UP CLOSE

## Marco Flores

**NEW JOB TITLE:** Naperville, Illinois-based chief risk officer for ATI Restoration.

**PREVIOUS POSITION:** Chicago-based senior vice president of risk management at Revantage, a Blackstone company.

**OUTLOOK FOR THE INDUSTRY:** Insurance continues to evolve at unprecedented speeds. We are nearly two years into a continuous hard market as economic and social inflation continue to affect capacity and pricing. Claims from climate change and weather events continue to challenge natural disaster-prone areas. There has never been a more crucial time to ensure that owners and insurers have implemented processes to mitigate losses and restore their properties in the fastest and most cost-effective way possible.

**GOALS FOR YOUR NEW POSITION:** Collaborate with the ATI team to create a sustainable risk culture throughout the organization. Additionally, I aim to align the risk tolerance with risk mitigation strategies to assure implementation of the most cost-effective elimination or reduction of risk.

**CHALLENGES FACING THE INDUSTRY:** Climate change, natural and man-made catastrophes, nuclear verdicts and WC/health care and how they affect the insurance market. The best way to mitigate the disaster recovery market is to evaluate one's own exposures, that is, to review internal loss control processes, understand the type of losses occurring, and put into place a plan to address and lower exposures. Conducting a top-down risk assessment to mitigate vulnerabilities is critical to this process.

**ADVICE FOR A NEWCOMER:** I would encourage a newcomer to smile, ask questions and stay interested. Build your reputation by working hard, adding value and being respectful.

**DREAM JOB:** Growing up, I always wanted to be a veterinarian.

**COLLEGE MAJOR:** B.S. in finance from DePaul University; MBA with an emphasis in finance from the University of Chicago.

**LOOKING FORWARD TO:** Now that I have started my position at ATI Restoration, I am most looking forward to learning the business, challenging myself and staying passionate and motivated as I apply the skills that I have learned from my previous roles to this disaster recovery services company.

**FAVORITE MEAL:** As a Chicagoan, I love Chicago-style pizza, but in reality, I love all pizza!

**FAVORITE BOOK:** "Blink," by Malcolm Gladwell, and "Lord of the Rings," by J.R.R. Tolkien

**HOBBIES:** Spending time with my family and friends, most importantly. When I have time, I play golf, travel or take walks with the family, including my three dogs.

**FAVORITE TV SHOW:** "Yellowstone."

**ON A SATURDAY AFTERNOON:** I spend most of my weekends attending my kids' activities, whether that is watching lacrosse, basketball, soccer or volleyball.

"There has never been a more crucial time to ensure that owners and insurers have implemented processes to mitigate losses and restore their properties in the fastest and most cost-effective way possible."



Alliant Insurance Services Inc. named **Yem Mai** chief broking officer for representations and warranties, part of its transactional risk division.

Previously, San Francisco-based Mr. Mai spent nearly 10 years at Marsh LLC, where he was transactional risk advisory leader for North America.



Risk Strategies Co. named Hartford, Connecticut-based **Doran Lamond** commercial lines leader, New England region. Ms. Lamond joined Risk Strategies in 2021 via

its acquisition of workers compensation brokerage Tripoint Insurance Inc. and previously served as vice president.



CNA Financial Corp. hired former Chubb executive **Steve Goldman** as senior vice president, financial lines and health care. New York-based Mr. Goldman joined Chubb

predecessor company Ace Ltd. from American International Group Inc. in 2008.



Amwins Group Inc. named **Jennifer Nuest** to the newly created position of transportation practice leader. Ms. Nuest was most recently business development manager

for Nirvana Insurance in Indianapolis, where she will continue to be based.



Willis Towers Watson PLC said it has hired **Evan Freely** as global head of financial solutions. He replaces Christophe Meurier in the role. New York-based

Mr. Freely was previously president and director, Americas, at specialty brokerage Berry Palmer & Lyle Ltd., which does business as BPL Global.



San Francisco-based brokerage Newfront Insurance named former Marsh central zone leader **John Newell** chief commercial officer. Mr. Newell spent about 20 years at Marsh, most

recently in Chicago, where he is based, and also in Houston and Tulsa, Oklahoma.

### SEE MORE ONLINE

Visit [www.businessinsurance.com/ComingsandGoings](http://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](mailto:editorial@businessinsurance.com).



## Man wins fight for his right to not party

**A** French court ruled that companies can't fire their workers for failing to be sufficiently "fun."

A man, named "Mr. T" in court documents, was working for the Paris consultancy Cubik Partners when he was fired in 2015 for allegedly not adhering to the company's "fun" values, which he said included "excessive alcoholism" and "promiscuity, bullying and incitement to various excesses."

The court ruled the employee was exercising his "freedom of expression" by refusing to participate in after-work drinks and team-building activities.

The man, who had worked at the company since 2011, was fired four years later for "professional incompetence," which included allegations that he was difficult to work with and was a poor listener, according to court documents.

## CNN to face music on song copyrights

**T**he self-proclaimed "most trusted name in news" can't be trusted with access to songs it has been using in its news segments without gaining licensing, according to a lawsuit filed by a production company.



As reported by Rolling Stone magazine, the \$17 million lawsuit was filed by Freeplay Music, a music library company that has 50,000 songs in its library available for licensing to use in television broadcasts, advertisements and YouTube videos.

According to the magazine, which accessed the lawsuit, several CNN outposts around the world treated Freeplay's library like "their own personal cookie jar," allegedly using over 115 copyrighted works in more than 280 segments over the past few years.

Freeplay is accusing CNN of "willful copyright infringement," Rolling Stone reported.

# INSURER CALLS OUT FAVORITE NAMES FOR FURRY FRIENDS



**P**et owners are over the moon for the name Luna, which ranked as the top choice for both cats and dogs in 2022, according to Cleveland-based Embrace Pet Insurance, which last month released its lists of the most popular pet names and breeds and the most-common pet insurance claims from the past year.

Based on Embrace's database of 1.5 million quotes, the most popular names after Luna for dogs were Bella, Charlie, Lucy, Daisey, Cooper, Max, Bailey, Milo and Coco. For cats the runners-up were Oliver, Milo, Bella, Charlie, Leo, Loki, Lucy, Nala and Lily.

The most popular dog breeds were "mixed breed," Labrador retriever, golden retriever, goldendoodle, German shepherd, French bulldog, Yorkshire terrier, Siberian husky, labradoodle and Chihuahua. "Mixed breed" was also No. 1 for cats, followed by tabby, Maine coon, Siamese, ragdoll, Bengal, Siberian, Sphynx, Persian and Russian blue.

Among the top pet insurance claims of 2022 were vomiting, diarrhea, urinary tract infection, weight loss and otitis externa, or ear infection.

## Trials of hot sauce and cheese snacks

**O**nline reviews typically satisfy the appetite of unhappy consumers who want to make public their grievances.

Yet, as the U.S.

Chamber of Commerce Institute for Legal Reform's 2022 list of the most ridiculous lawsuits reveals, sometimes the pain is just too big.

Herr's Foods Inc., for example, was sued over its Jalapeno Poppers-flavored cheese curls and allegedly deceptive packaging featuring pictures of jalapeños and cheese when really the seasoning contains artificial flavors.

Another contender was a suit against Kraft Heinz Co. alleging its Velveeta microwaveable mac and cheese cups are not "ready in three and a half minutes."



## Fight over brand names turns ugly

**I**t's not often you see people squabbling over ugly houses.

HomeVestors of America Inc., owner of the "We Buy Ugly Houses" company, filed a lawsuit in the U.S. District Court for the District of Delaware against Warner Bros. Discovery Inc. to protect its intellectual property rights in its "The Ugliest House Of The Year" contest and trademark.

According to a statement by Dallas-based HomeVestors, Warner Bros.'s HGTV network last year premiered its "Ugliest House in America" television show, which mocks owners and their homes for odd design choices.

HomeVestors said that the "nature of this television show does not align with HomeVestors' values or brand identity" and could cause brand confusion.

"While confusingly similar in name, the HGTV show is vastly different from the HomeVestors' contest, which features homes its franchisees have purchased and then showcases one dramatic home makeover as the winner," HomeVestors said.



MORE IMAGINATION.

MORE TO LOVE  
FROM APPLIED.®

Workers' Compensation • Transportation – Liability & Physical Damage • Fine Art & Collections • Structured Insurance  
Construction – Including New York and Project-Based Primary & Excess Liability • Financial Lines • Aviation & Space  
Homeowners – Including California Wildfire & Gulf Region Hurricane • Environmental & Pollution Liability • Public Entity  
Shared & Layered Property • Warranty & Contractual Liability • Reinsurance • Infrastructure • Surety • Entertainment & Sports  
...And More To Come.



It Pays To Get A Quote From Applied.®  
Learn more at [auw.com/MoreToLove](http://auw.com/MoreToLove)  
or call sales (877) 234-4450

