

BACK TO WORK: Safety issues loom for employers as workers return - PAGE 6

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JUNE 2020

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Business Insurance profiles the winners of its 2020 Break Out Awards, which honor potential future leaders in the U.S. insurance industry. The 40 honorees from across the country represent some of the most promising individuals working in insurance and risk management. **PAGE 16**

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JIM WETEKAMP

Jim Wetekamp became CEO of Atlanta-based Riskonnect Inc. in April 2018, shortly before it acquired rival risk management information services provider Marsh ClearSight, formerly a unit of Marsh LLC. Mr. Wetekamp, former CEO of cloud procurement technology firm BravoSolution, discusses how the ClearSight integration has gone and how Riskonnect is supporting its customers amid the COVID-19 pandemic. **PAGE 15**



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The insurance industry trails only finance and engineering when it comes to taking part in virtual office happy hours. **PAGE 38**



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Captives fill gaps amid pandemic

BY CLAIRE WILKINSON

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As in previous times of insurance market dislocation, captive insurers are playing a key role amid the COVID-19 pandemic, as owners file claims and focus on business continuity, while trying to lower their total cost of risk, experts say.

More pandemic-related risks will likely be written by captives as commercial insurance buyers grapple with tougher market conditions in the coming months, they say.

In previous times of stress, such as after the Sept. 11, 2001, terrorist attacks and the medical liability crisis in the 1980's, captives have always been able to "step in and help pay claims when commercially things were stalled or debated or mitigated," said Anne Marie Towle, Indianapolis-based senior vice president at Hylant Group Inc.

"So particularly in this time, we have already seen growth in captive interest. People are looking at how they can protect their organization if they haven't in the past with a captive," Ms. Towle said.

Business interruption, event cancellation, supply chain, trade credit and surety are some of the areas where captives may see claims, experts say.

While pandemic losses are excluded by some captives, others offer their owners broader coverage, allowing them to recover some of the lost profits and extra expenses incurred amid business closures and government lockdowns, they say.

On the liability side, there is the potential for employment practices, professional liability and workers compensation claims, especially in areas such as health care and hospital-owned captives, Ms. Towle said.

Medical stop loss is another area where captive participation has been increasing in recent years and where there is potential exposure, experts say.

An area where Hylant Group has seen claims submitted is under all-risks coverage, where the difference in conditions policy would step in and provide coverage, Ms. Towle said.

"I have seen both interest in that type of coverage going forward and captive owners utilizing and leveraging it under those types of policies," she said.

These policies and claims have been mainly in the manufacturing sector where a business has been completely shut down and operations interrupted, she said.

The other area where Hylant has had "discussion with clients but not seen any claims so far" is contamination to the business property.

"If you have an outbreak, like the Tyson food plants and facilities like meatpackers, how



REUTERS

REUTERS

Firms in the manufacturing sector will likely file claims with their captive insurers related to losses incurred due to restrictions imposed by governments to stem the coronavirus pandemic. Many companies had to shut down assembly lines or faced other interruptions.

does that have an impact to contamination of their actual property and recovery from that and cleanup potentially? That's something we've had discussions about," Ms. Towle said.

Cyber liability is another exposure that could potentially lead to COVID-19-related captive claims, she said. With so many people working from home, internet connections may not be as stable and safe as they would be in an office, she said.

Several captives managed by Marsh LLC provide coverage for pandemics and for non-damage business interruption with triggers for pandemics, but it's too soon to say whether claims are being made against the

policies in place, said Michael Serricchio, a managing director with Marsh Captive Solutions, a unit of Marsh LLC in Norwalk, Connecticut.

"We have various property business interruption and contingent business interruption policies in captives that are triggered by different events, namely pandemics and outbreaks of infectious disease," he said.

Some captives also provide broad coverage for non-damage business interruption, difference in conditions, differences in limits that may see claims, Mr. Serricchio said.

Real estate, hospitality and mining are some of the business sectors with captives managed by Marsh that have the coverage, he said.

"A lot of these coverages are direct between the captive and the parent, so it won't show up for another quarter in terms of proceeds coming out of the captive," he said.

Limits vary according to the risk appetite of parent companies and tend to be in the millions and tens of millions of dollars, rather than hundreds of millions, according to a

recent Marsh webinar.

Some businesses are "more vulnerable" than others to pandemic-related disruptions, said Martin Eveleigh, chairman, Atlas Insurance Management, based in Charlotte, North Carolina.

"Hospitality, fine dining restaurants, yes, if they have a captive, they'd almost certainly be making claims," he said.

Group captive policies usually are issued on standard forms so any exclusions that exist in commercial property policies would still apply, but many single parent captives issue policies with "much broader coverage," Mr. Eveleigh said.

These include policies issued by smaller captives, including some that elect to be taxed under Section 831(b) of the Internal Revenue Code, he said.

"Many of those captives will be issuing business interruption policies, supply chain interruption policies, some work stoppage, inability to access premises, that kind of coverage, so they will certainly be responding in terms of paying the claims," Mr. Eveleigh said.

"We have a number of captives under management where the captive owner, the insured's interpretation of the policy language is that there is some coverage afforded to them for COVID-19 losses," said Jason Palmer, director at Willis Towers Watson Management (Vermont) Ltd.

"We're talking with claims professionals and others trying to document and quantify what that claim will ultimately be and submit it to the captive," Mr. Palmer said.

Meanwhile, in the economic downturn, companies may be leveraging the additional capital in their captives for other needs.

A lot of companies that don't have pandemic coverage are looking to their captive for liquidity, Mr. Serricchio said.

FEDERAL BACKSTOP COULD HELP CAPTIVES

A government pandemic backstop could benefit the captive insurance sector, though much will depend on the structure of any plan, experts say.

The concept of a Pandemic Risk Insurance Act that Marsh LLC CEO John Doyle supports would be helpful to the insurance industry and captives, said Michael Serricchio, a managing director with Marsh Captive Solutions, a unit of Marsh LLC in Norwalk, Connecticut.

"A backstop and mechanism similar to the Terrorism Risk Insurance Act could provide a lot of safety and security for captives that would then write this coverage and be a lot more protected," Mr. Serricchio said.

However, plan details such as the policies, premiums, triggers, and limits would have to be "thought out," he said.

A draft PRIA bill circulating in Congress does include captive insurers, sources say. Other proposals being considered include a taxpayer-funded pandemic backstop backed by three major insurance trade groups.

Pandemic risks are uninsurable if "we're simply talking about relying on the premium and capital of the commercial insurance and reinsurance market," said Martin Eveleigh, chairman, Atlas Insurance Management, based in Charlotte, North Carolina.

"If there is a government backstop program put together, then perhaps the risk becomes at least up to a point insurable and transferable. If such a program is put together, captives need access to it as much as commercial carriers," Mr. Eveleigh said.

The concept of a PRIA-type program is worth exploring, said Anne Marie Towle, Indianapolis-based senior vice president at Hylant Group Inc.

The question is "how do we fund for this, how do we make it accessible through a captive," she said.

Claire Wilkinson

TOTAL
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Business Insurance survey

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Many businesses face testing times as employees head back to the workplace

BY ANGELA CHILDERS

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While many employers are eager to open their doors after months in lockdown to quell the spread of COVID-19, myriad questions remain regarding how to navigate the inevitably changed workplace and protect the safety and health of workers and customers, experts say.

Enabling workplaces to come back safely is a national concern, said Lorraine Martin, president and CEO of the Itasca, Illinois-based National Safety Council. “Businesses need to do the best they can using the data that’s available right now. It’s really important for us to look at (each industry) uniquely.”

Essential businesses, such as pharmacies and grocery stores, remained open while trying to implement safety measures during the nearly nationwide pandemic shutdown. Many states began lifting restrictions on non-essential businesses last month and further loosening of restrictions is expected.

For many industries, including construction, the workplace has “absolutely



REUTERS

As companies restart operations following the coronavirus lockdown, many companies are expected to institute health assessments for employees, including taking their temperature when they arrive at the workplace each day and administering questionnaires.

DAILY COVID-19 SCREENING FOR STAFF AND VISITORS

Screening employees and visitors by checking for fever and having them answer a questionnaire is a strategy many companies are employing to reduce the likelihood of COVID-19 exposure in the workplace.

Before workers or visitors enter the workplace, employers should have them self-assess using these questions:

SINCE YOUR LAST DAY OF WORK, HAVE YOU HAD ANY OF THESE SYMPTOMS:

- Cough
- Shortness of breath or difficulty breathing

OR AT LEAST TWO OF THESE SYMPTOMS:

- Fever
- Chills
- Muscle pain
- Headache
- Sore throat
- New loss of taste or smell



If the individual answers yes to either of the questions, the screener should review the results, bar the individual from entering and provide information on where the individual can receive medical help or screening.

Source: Washington State Department of Health

changed 100% across the board,” said Pittsburgh-based Carl Heinlein, senior safety consultant for the American Contractors Insurance Group. “Now, before you come onto a project, you’re going through a health assessment, and in many cases that will include a temperature reading, and you’re probably going to go through some sort of re-education or toolbox talk discussion about social distancing.”

Contractors have a lot of questions about how they can restart projects while preventing workers from being exposed to COVID-19. They’re grappling with such issues as how to get workers through the gates and to work safely, a process that used to take 15 minutes and now can take several hours, Mr. Heinlein said.

The industry is also putting much more emphasis on safety and hazard awareness training, emergency preparedness, and hygiene and sanitation.

“We’re already hearing that increased hygiene, sanitation and social distancing are all being implemented on sites,” said Kaileigh Bowe, vice president of Naperville, Illinois-based Highland Insurance Solutions, a subsidiary of WNC Insurance Services Inc.

Many are using or planning to implement technology to monitor distancing and for contact tracing, said Cheri Hanes, Dallas-based construction risk engineer for Axa XL, a unit of Axa SA.

“We’re already hearing that increased hygiene, sanitation and social distancing are all being implemented on sites.”

Kaileigh Bowe,
Highland Insurance Solutions

For instance, Proxxi Co. in Vancouver, British Columbia, modified its wristwatch-like technology created to prevent electrocution to alert workers when another person is within six feet. Norwalk, Connecticut-based Triax Technologies Inc. is using devices mounted on hardhats as contact tracers, so if a worker tests positive for coronavirus, other workers who had been in close proximity to that individual can be quickly identified. Smartvid.io Inc., based in Cambridge,

Massachusetts, has created a module for onsite cameras to identify when workers are violating social distancing and other safety rules.

Landscape different for retail, restaurants

The workplace for retailers and restaurants will also look much different.

“Retail has been a little bit of a challenge for us,” said Larry Sloan, CEO of the American Industrial Hygiene Association in Falls Church, Virginia. Physical distancing in stores, particularly smaller ones, will be difficult, and there is also the risk of disease transmission on merchandise. Currently, the AIHA is recommending that retailers temporarily eliminate changing rooms, and if they allow for returned items, to place them in quarantine, he said.

“The concern with restaurants is that you have potentially greater contact between the wait staff and the customer,” he said. To mitigate that exposure, he said, restaurants will need to consider adopting policies such as reservation-only dining, limiting groups to six people, asking customers to wait outside or in their vehicles

until their tables are ready, using partitions to create additional barriers between workers and diners and between diners themselves, and displaying signage vetted by legal counsel that outlines the steps the establishment is taking to protect the health of its employees and the public, Mr. Sloan said.

The meatpacking and poultry processing industry — which was ordered to remain open in an April 28 executive order by President Donald Trump — has been hard hit by COVID-19 and is grappling with ways to protect workers from the virus. Thousands of workers at more than 100 plants in the United States have tested positive for the virus, according to the U.S. Centers for Disease Control and Prevention.

“One of the biggest mistakes an organization can make is to assume that employees are educated about COVID-19 and know what to do in the event of exposure or diagnosis.”

Eric Glass,
UL LLC

Although the CDC and the U.S. Occupational Safety and Health Administration issued temporary guidance for the industry, which includes temperature checks, staggered shifts, social distancing on lines and providing personal protective equipment, the guidance was voluntary as of May. It is unknown whether the government will police adherence to the guidance and what limitations of liability may be applied, said Melanie Neumann, Chicago-based executive vice president and general counsel of Matrix Sciences International Inc., a food production advisory firm.

But plants that fail to follow the advice could be cited for violation of the OSHA

general duty clause, which may be invoked when a serious hazard is recognized but no applicable regulation exists, said Eric Conn, founding partner of Washington law firm Conn Maciel Carey LLP.

With all of the uncertainty, employers in food-processing plants as well as other industries would be wise to appoint someone as a “COVID czar” responsible for staying on top of new pandemic guidance, conducting regular risk assessments and implementing controls to prevent the spread of the virus, Ms. Neumann said.

Provide education for workers

Regardless of the industry, employees need to be educated about COVID-19 and how to use personal protective equipment, such as face masks, said Diana Stegall, Tucson, Arizona-based president of the American Society of Safety Professionals.

Employers should help workers understand why there is a need to wear personal protective equipment, how to obtain the equipment, how to remove it properly at the end of a shift, and how to clean it on a regular basis to avoid bacteria buildup, she said.

“One of the biggest mistakes an organization can make is to assume that employees are educated about COVID-19 and know what to do in the event of exposure or diagnosis,” said Eric Glass, Franklin, Tennessee-based senior risk and safety advisor at safety science company UL LLC. “Educating your employees should be an ongoing, never-ending effort, even after this pandemic is over.”

If an employee does receive a COVID-19 positive diagnosis, the company should have a “situational matrix” that outlines the internal actions that should be taken, which may include notifying other employees that may have been exposed to someone who tested positive, and cleaning and disinfecting work areas, Mr. Glass said.

“OSHA has relaxed its guidance on recordkeeping of COVID-19, especially in areas where there is wide community

spread,” Ms. Stegall said. “But that doesn’t mean in the insurance world that it’s not covered.”

OSHA still requires employers to take reasonable efforts, based on the evidence available, to ascertain whether coronavirus cases reported by employees are work-related, under revised guidance that took effect May 26. Confirmed cases of COVID-19 requiring medical attention beyond hospitalization or days away from work and are determined to be work-related must be recorded on the employer’s OSHA 300 log.

Employers should also talk with their third-party administrator or investigators to find out what guidance they have for policyholders and how to handle claims of COVID-19 infections by employees, said Jeff Adelson, co-managing shareholder of Newport Beach, California, law firm Adelson McLean APC.

“If someone comes to you and says, ‘I have the virus,’ seek guidance from the workers comp carrier — don’t hide it,” Mr. Adelson said. “Putting your head in the sand is not going to help.”

Employers that fail to put into place policies to protect workers could be opening themselves up to serious and willful misconduct claims — regardless of whether the worker files a comp claim, he said.

“Every employer needs to ask themselves, ‘Is my business complying with the requirements of the reopening order?’” Mr. Adelson said. Although an employer may still see workers comp claims for COVID-19, “as long as you follow the law ... the likeliness of getting a serious and willful claim is remote.”

Workplaces also should examine more subtle issues, such as how many people can enter an elevator, how to accommodate the volume of workers needing a temperature check at the start of a shift, and whether to shift employees’ workdays to reduce exposure, Ms. Martin said.

“One of the other pieces you have to address ... is employee stress and their mental and emotional needs as well,” Ms. Martin said. “People are going to have



WHAT STAFF NEED TO KNOW ON RETURN TO THE WORKPLACE

When employees return to the workplace, they will likely need to do much more than punch a time clock. The National Safety Council, in conjunction with two dozen associations and companies, created the SAFER: Safe Actions for Employee Returns task force to provide guidance for employers on navigating the workplace during the pandemic.

For companies that choose to implement health screenings of workers, SAFER recommends clear communication on what to expect that includes:

- ❑ An outline of the new entrance protocols, including when, where and how screenings will take place.
- ❑ Explanation of how medical privacy will be maintained.
- ❑ Demonstrations of the new protocols.
- ❑ Instructions on bringing new and old equipment into the office and how to disinfect appropriately.
- ❑ Information on any changes to the work environment, such as restricting access to break rooms or changes made to maintain social distance.
- ❑ A description of what the employer is doing to clean and disinfect to prevent the spread of COVID-19.

Source: SAFER Task Force

questions. ... Have some resources to help folks navigate that.”

Employers also need to ask themselves why they believe bringing workers back to the workplace feels right for the safety and health of the organization.

“Make sure you’re communicating with your team why they’re going back,” Ms. Martin said. “We like clarity. We like to understand, especially if there’s fear.”

BARRAGE OF GUIDANCE MAY CAUSE CONFUSION AS COMPANIES IMPLEMENT SAFETY MEASURES

COVID-19 safety guidance has been coming from the government, associations, consultants and employee groups to help employers during the pandemic. But the guidance is mixed, experts warn, and has created a balancing act for employers trying to operate and protect their workers.

“Retailers are operating on thin resource margins, moving very fast to meet customer needs ... and being hit from the public safety side and all of the federal, state and local orders that are

coming into play,” said Cressinda Schlag, an associate in the Austin, Texas, office of Jackson Lewis P.C. “It’s a bit of a balancing game.”

While some retailers are doing a “great job” — by limiting customers, creating one-way aisles, directing customers where to stand, placing shields and even Plexiglas boxes around cashiers and baggers, and providing masks and gloves — others have been “slower to implement protections,” said Celeste Monforton, a lecturer in the department of health and

human performance at Texas State University in San Marcos, Texas.

“When the dust settles, I think there will be a push to have permanent rulemaking either at the federal level or more broadly at the state level to require companies to put into place some kind of planning around pandemics and infectious disease,” Ms. Schlag said. “Having those ahead of time might have helped with managing situations like this.”

Angela Childers



REUTERS

Retailers have taken measures to protect staff and customers during the coronavirus pandemic, including installing plastic sheets at checkouts.

Comp set to withstand COVID claims

BY LOUISE ESOLA

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The outlook for the workers compensation sector amid the COVID-19 pandemic will be shaped by changes in presumption laws related to virus claims and lower premium due to falling payroll as unemployment skyrockets, according to experts.

Yet, years of accumulated profitable underwriting and healthy reserves will help the industry weather coronavirus-related claims and lower premium in the coming months, according to the latest data from the National Council on Compensation Insurance, which last month revealed its annual state of the industry report.

“The good news is that starting into this crisis the industry is coming at it from a position of strength,” said Bill Donnell, president and CEO of the Boca Raton, Florida-based organization.

The industry as of 2019 showed “unprecedented financial strength and consistent performance,” said Donna Glenn, NCCI’s chief actuary, during a virtual presentation that addressed where the industry stands as it faces unanswered questions regarding the pandemic’s effect on financial results.

“The system is well-positioned to face COVID-19 stress,” she said.

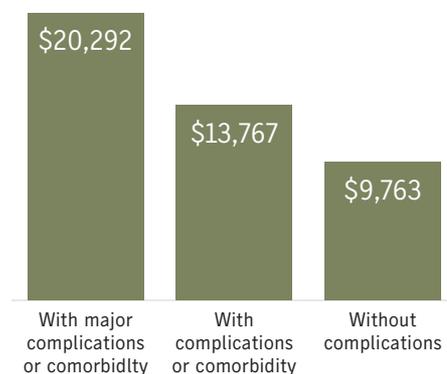
It remains unclear what level of claims workers comp insurers should expect from the COVID-19 outbreak or how hard higher unemployment numbers will hit payroll-related premium payments, according to Mr. Donnell.

The workers comp sector has reported profitable results in recent years. In 2019, the industry reported a combined ratio for private insurers of 85%, making it the sixth

MEDICAL COSTS OF COVID-19

While experts say the exact medical costs associated with COVID-19 are in flux, preliminary data on pneumonia-related hospitalizations, a major complication associated with COVID-19, provide some insight, according to the Kaiser Family Foundation.

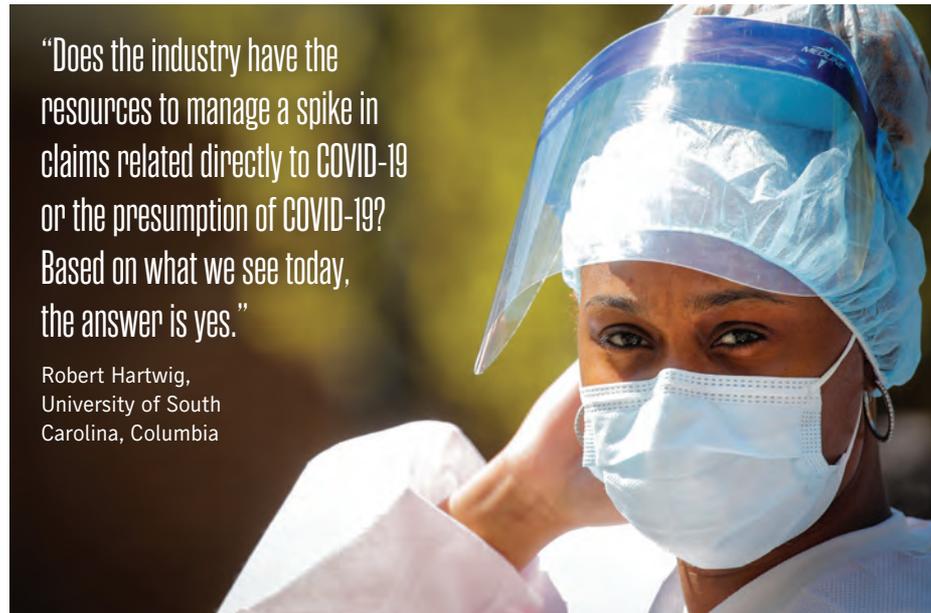
Average total cost of treatment for an inpatient admission for pneumonia among large employer plans, by level of complexity, 2018



Source: Kaiser Family Foundation

“Does the industry have the resources to manage a spike in claims related directly to COVID-19 or the presumption of COVID-19? Based on what we see today, the answer is yes.”

Robert Hartwig,
University of South
Carolina, Columbia



REUTERS

consecutive year that the workers comp line of business has posted an underwriting profit. Last year also marked the third consecutive year of a combined ratio under 90%. The two most recent years, including the 83% combined ratio in 2018, showed the lowest workers comp combined ratio since the 1930s, according to the presentation.

The industry will likely see COVID-19 claims, but they will likely not show up in widespread reporting until the fourth quarter of 2020, said Mr. Donnell.

“Every aspect of workers compensation will be affected” by the pandemic, including claim activity stemming from infections, the extent of which is still unknown, and claims in states adopting changes to workers comp laws that would provide presumption coverage for front-line workers outside of health care who are usually not covered for viral infections.

Several sectors, such as hospitality and tourism, will also see steep drops in premium as they are hit with record unemployment levels, NCCI officials said.

Ms. Glenn highlighted that as of year-end 2019, the overall reserve position for private insurers stood at a \$10 billion redundancy, doubled from \$5 billion at year-end 2018, meaning premium rates continue to outpace loss costs.

Meanwhile, average lost-time claim frequency across the 38 states that work with NCCI declined by 4% in 2019, on a preliminary basis, and preliminary 2019 accident year data showed average indemnity claim severity increased by 4% relative to the corresponding 2018 value. Medical lost-time claim severity increased by 3%.

Ms. Glenn said one of the “biggest unknowns” will be the length of total or partial shutdowns. In addition, different industries will post different results. The decline in

hospitality, manufacturing and distribution, for example, could be offset by increased demand for health care, groceries and home delivery of goods. In the “middle,” many industries have increased telecommuting, which has led to fewer layoffs in some fields.

Meanwhile, the industry should expect midterm premium adjustments that take into account lower payroll figures, she said.

Robert Hartwig, clinical associate professor and director of the Risk and Uncertainty Management Center at the University of South Carolina in Columbia, said it’s likely that the payroll decline will be temporary, as some industries began reopening last month, albeit with adjustments to scheduling and other changes to better manage the pandemic risks.

In addition, several states are making changes to presumption language. Some have initiated efforts to make sweeping changes that would allow “essential” workers who catch COVID-19 to presume they caught it while at work, and thus file a workers comp claim. California Gov. Gavin Newsom cleared the way with an executive order in May — a move other states are unlikely to follow, said Mr. Hartwig.

But COVID-19 claims will likely be manageable, he said. “Does the industry have the resources to manage a spike in claims related directly to COVID-19 or the presumption of COVID-19? Based on what we see today, the answer is yes,” he said.

Meanwhile, claim activity outside of COVID-19 is likely to vary, Ms. Glenn said. Some employees may delay care or not report claims, as they may be too afraid to seek medical care unrelated to COVID-19 for fear of exposure to the virus, and some existing claimants could see their return to work and recovery hindered by fewer jobs and doctor check-ups, she said.

OLD CLAIMS EASIER TO SETTLE AMID CRISIS

Cash-strapped workers appear to be more willing to settle old claims during the coronavirus outbreak, which would help insurers and payers in their efforts to close legacy claims, experts say.

The slowdown in court processing and the economic downturn amid the pandemic has led to a slow but growing move to closing older workers compensation claims, according to experts who say a higher uptick in settlements is on the horizon.

“What has become an unexpected development is a lot of claimants who said ‘no’ to settlements are coming forward and wanting to settle,” said Beth Dupre, Seattle-based managing director and claim consulting practice leader for Marsh LLC. “It opens the opportunity for us to do just that and at a generally decent cost.”

Rich Lenkov, capital member and head of the workers compensation practice at Bryce Downey & Lenkov LLC in Chicago, said his firm is seeing a modest 10% decrease in settlement value across-the-board as a result of the pandemic. “That said, many employers and carriers want to maintain their cash reserves during this uncertain economic environment and so are in no rush to pay on workers comp claims,” he added.

Marsh, meanwhile, released a white paper in April on how the industry could improve its financial outlook during and after the pandemic, pointing to “outstanding liabilities associated with aging inventories of open workers compensation claims” that could “significantly reduce the amount of working capital.”

Yet, Marsh maintains that “settling these claims proactively, however, can help employers improve their balance sheets given uncertainty about the post-COVID-19 economic environment,” the paper states.

Marsh says that for each \$1 of reserves set aside to close those claims, 72 cents is spent.

Louise Esola



foaming hand sanitizer



The future in foam hand sanitizer

EMS Professionals face challenges with keeping themselves and the people they assist in emergencies free from cross-contaminating germs. Traditional sanitizer is effective upon application but becomes ineffective in 30 seconds and the constant reapplication process can leave hands cracked and dry - opening up channels for germs to enter the body.

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Insurance sector rolls with remote work

BY MATTHEW LERNER

mlerner@businessinsurance.com

Changes insurance sector companies have made to continue operating during the COVID-19 outbreak could become permanent or lead to different ways of performing certain tasks, industry sources say.

Users' increasing comfort with technology such as video conferencing and remote claims inspections could further accelerate adoption across the industry, they say.

"We've seen, out of some insurers, an interest in doubling down on digital," said Mark McLaughlin, global insurance director for IBM in Chicago. He said most of his insurance clients have been proceeding with business largely without incident.

"A segment of people — insurance company workers and buyers, are habituating to digital ways of doing work — and it's been a pleasant surprise for a lot of people," Mr. McLaughlin said.

Many note the smoothness of the transition to doing business remotely.

"All of my team is completely functional providing quotes, binders and policies — all from their homes," said Michele Sansone, president, North America property, at Axa XL in New York.

Virtual operations have held up well so far for Twane Duckworth, chief of risk management for the city of Jacksonville,

"This is going to change the way this industry conducts itself post COVID-19. It will not just bounce back to the way it was without a doubt."

Kenneth Tolson,
Crawford & Co.



Florida, who said his broker, Brown & Brown Inc., has been in continual contact.

"My broker has been absolutely accessible," said Mr. Duckworth, who is also a member of the Risk and Insurance Management Society Inc. board of directors. "In fact, they have been constantly checking in. They have been wonderful, and it's absolutely been not a concern for me."

While technology has been a stopgap in many cases, and may continue to be used for certain government meetings moving forward, Jacksonville City Council meetings, on the other hand, will likely return to being held in public to comply with Florida's public access or "sunshine laws," Mr. Duckworth said. Video conferencing was used during the shutdown to maintain transparency, he said.

Some say the shift to remote work and the increased use of digital technology could lead to major changes in the insurance industry.

"This is going to change the way this industry conducts itself post COVID-19," said Kenneth Tolson, U.S. president of claims solutions at Atlanta-based Crawford & Co. "It will not just bounce back to the way it was without a doubt."

"This will have a lasting effect on our business. Where before we may have defaulted to a physical inspection of a property, we may now default to a self-service inspection," he said.

"As an industry, we may not look back to where we were in terms of physical inspection, site inspection in the same way," said Mark R. Evans, head of energy, property, construction claims for the Americas, Axa XL. "We may see a whole cadre of claims we can administer remotely — a larger volume than we could before."

The new ways of doing business could create opportunities for some, said Matt Adams, New York-based U.S. insurance practice leader for PricewaterhouseCoopers LLP.

"We are seeing companies take on and embrace new ways of working," Mr. Adams said. "As the pandemic does reveal gaps in operations, operating models might be improved through new and unexpected partnerships with insurtech enterprises that focus more on the customer services and the customer experience. Perhaps there's more motivation now for those partnerships to be formed."

"Many companies in this space had

already been prioritizing various forms of digital transformation, and for those companies that started on this path of digital transformation, it's accelerating their investment and project plans," Mr. Adams said. "It was an unexpected confirmation that for the most part, this can be done."

Insurers came into the crisis in various stages of readiness, Mr. McLaughlin said.

"Insurers which are past the basics, those firms that are already thinking digital, are going to extend their leads," he said.

"As an industry, we may not look back to where we were in terms of physical inspection, site inspection in the same way. We may see a whole cadre of claims we can administer remotely."

Mark R. Evans,
Axa XL

Considerations over such changes have led insurers and allied trades to reconsider their schedules for returning to work, said Julia Lamm, PwC's New York-based financial services workforce strategy leader.

"If we're going to rethink our ways of working and we're going to embrace more remote work in the long term, then what is the short-term plan for bringing people back," Ms. Lamm said clients have been asking. In some cases, their original time-tables have "slipped" as they consider strategic long-term changes, she said.

Another question, Ms. Lamm said, is what does going back look like? It may largely be people wearing masks and socially distancing, and include only a portion of the workforce or rotating teams, she said, adding that most clients' first phase involves some 10% to 15% of employees.

INSURERS, BROKERS CONSIDER FUTURE WORK MODEL

Remote working may be here to stay long term as major insurers and brokers see the benefits of such arrangements.

Nationwide Mutual Insurance Co. at the end of April announced plans to move to a "hybrid operating model" that would include a substantial portion of employees working from home — beginning at around 30% and potentially rising as high as 50%, a company

spokesman said.

Willis Towers Watson PLC CEO John Haley, in his company's first-quarter earnings call, said more than 90% of the company's 45,000 employees were working remotely. "We don't think we are going to return to the same ways of working," he said, adding that the company has a task force exploring the issue.

In Marsh & McLennan Cos. Inc.'s first-quarter earnings call, President and CEO

Dan Glaser said the brokerage had proved it could effectively work remotely and that the experience could lead to lower real estate costs over the long term.

Kenneth Tolson, U.S. president of claims solutions at Atlanta-based Crawford & Co., said insurance sector companies "don't really require that real estate investment other than core back office (operations)."

Matthew Lerner



Paid leave law raises liability concerns

BY JUDY GREENWALD

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A complex paid sick and family and medical leave law enacted in response to the coronavirus pandemic will likely lead to increased litigation against employers, say experts.

The federal Families First Coronavirus Response Act, which took effect April 1 and is set to expire on Dec. 31, requires employers to give employees paid emergency family and medical leave and emergency paid sick leave. It covers private employers with fewer than 500 employees and certain public employers (see box). Employers are given a payroll tax credit for paid leave provided under the act.

The new law has already led to litigation (see related story) and more is expected, say many experts, who recommend employers establish a clear policy on dealing with the law and communicating the policy to workers.

Employment practices liability insurance will likely respond to related claims, if claims include allegations of discrimination or retaliation, experts say.

The basic concept behind the law “sounds really nice and really easy,” but requires paying attention to difficult technical issues “and it’s easy to miss one,” said Jason E. Reisman, a partner with Blank Rome LLP in Philadelphia, who is co-chairman of the law firm’s labor and employment practice group.

Many experts say problems may arise due to the relative haste with which the legislation was introduced and enacted, which was at a time when workplaces were in turmoil.

“The challenging thing about the FFCRA leave law” is it was “announced and enacted within days” rather than the typical legislative process, where employers have at least a year to prepare how to manage a new law, said Lisa Malloy, Atlanta-based senior associate consultant



OFFICIAL WHITE HOUSE PHOTO BY SHEALAH CRAIGHEAD

President Donald J. Trump was joined by Vice President Mike Pence and Secretary of the Treasury Steven Mnuchin as he signed the Families First Coronavirus Response Act in March. The complex law needs careful implementation, legal experts say.

at EPIC National Employer Consulting, a division of EPIC Insurance Brokers and Consultants.

“There’s a lot of moving parts,” said George Katsoudas, senior vice president, compliance counsel, with Arthur J. Gallagher & Co.’s benefits and HR consulting division in Rolling Meadows, Illinois.

In addition, the law applies to employers with fewer than 500 workers, and firms of that size may not have the internal legal and human resources personnel to deal with its nuances, said Tom Hams, Chicago-based managing director and national employment practices liability insurance practice leader at Aon PLC.

The law prohibits retaliation for those who take advantage of the law, said Kelly Thoeerig, Richmond, Virginia-based U.S. employment practices liability product leader for Marsh LLC. Retaliation claims are easy for employees to bring, but “are hugely problematic for employers,” she said.

Many believe the law will lead to more litigation. “Absolutely, we can expect to see a spike in litigation,” said Jeff Nowak, a shareholder with Littler Mendelson P.C. in Chicago, who represents employers in employment law matters.

“These are times unlike anything we’ve ever seen, and millions of people have lost their jobs, so a decent number of them will resort to litigation,” he said.

“I think we will see in the coming months a raft of litigation arising from alleged noncompliance with the FFCRA,” said James F. Hermon, a member of Dykema Gossett PLLC in Detroit, who focuses on the defense and trial of employment cases.

These types of leaves are “very amorphous and tough to administer,” and could cause problems in creating the right to take them when employers may need their workers to be on the job, said Paul E. Starkman, a member of law firm Clark Hill PLC in Chicago, who represents employers.

Class-action lawsuits alleging breaches of

COVID-19 SICK PAY

The Families First Coronavirus Response Act signed by President Trump on March 18, 2020, applies to businesses and tax-exempt organizations with fewer than 500 employees.

- Employees receive up to 80 hours of paid sick leave at 100% of pay when the employee is unable to work because the worker is quarantined, and/or is experiencing COVID-19 symptoms or seeking a medical diagnosis.
- An employee who is unable to work in order to care for someone subject to quarantine, or for a child whose school is closed, can receive up to 80 hours of paid sick leave at two-thirds of pay.
- Employers are reimbursed for the costs by an immediate dollar-for-dollar tax offset against payroll taxes.
- The law expires Dec. 31, 2020.

Source: U.S. Department of Labor

the law are likely to be more attractive than individual lawsuits to plaintiff attorneys because of the money awards they can generate, said T. Christopher Bailey, an officer with Greensfelder Hemker & Gale P.C. in St. Louis, who represents employers.

Coverage under employment practices liability insurance may be available, say observers.

“To trigger the EPL policy, you have to have a claim that’s alleging an employment practice wrongful act,” such as discrimination or wrongful termination, said Talene Carter, New York-based national employment practices liability product leader for FINEX North America at Willis Towers Watson PLC.

A “lot of policies don’t provide coverage just for violation of the FMLA or other leave laws,” if it is a straight claim, she said.

Employers should make sure leave requests come to “a single point of contact” to “decrease the opportunity of giving wrong answers,” Ms. Malloy said.

“Employees talking to someone within the company who doesn’t know all the rules” is probably the biggest potential liability under the law, she said.

LAWSUITS QUICKLY FOLLOW PASSAGE OF CORONAVIRUS RELIEF MEASURE

The Families First Coronavirus Response Act was only in place for a few weeks before lawsuits were filed.

One of the suits has apparently already been settled and in another New York state filed suit against the U.S. Department of Labor in connection with the regulation it issued on the law.

The act was signed into law by President Trump on March 18, although its requirements were subject to a 30-day non-enforcement period for “good faith compliance efforts,” according to the U.S. Department of Labor.

The three lawsuits filed are:

Stephanie Jones, who was a revenue management director for Wayne, Pennsylvania-based Eastern Airlines LLC,

and is a single mother with an 11-year-old son, formally requested FFCRA leave on March 24 and was terminated on March 27, according to the complaint filed with the U.S. District Court in Philadelphia in *Stephanie Jones vs. Eastern Airlines LLC et. al.* The lawsuit charges violations of the FCCRA.

Eastern Airlines’ attorney had no comment.

On April 4, Tyler Miller, an employee of Steel IT LLC in Cincinnati, contacted his employer to ask for leave to take care of his parents under the Emergency Paid Sick Leave Act section of the FCCRA, according to the April 24 complaint filed with the U.S. District Court in Cincinnati in *Tyler Miller v.*

Steel IT, and Craig Freeman. Mr. Miller was terminated the following day.

Charges in the complaint include violation of the FFCRA and breach of contract.

The company did not respond to a request for comment.

Ariel Robtoy said she was fired by The Kroger Co., based in Cincinnati, after she took time off because she had symptoms of COVID-19, in violation of the FFCRA and the Family Medical Leave Act, according to the April 28 lawsuit filed in U.S. District Court in Fort Wayne, Indiana, in *Ariel Robtoy v. The Kroger Co., d/b/a/ Peyton’s Northern Distribution Center.*

A May 18 filing with the court filed notice that the lawsuit was being

withdrawn “as the parties have reached resolution of the matter before a responsive pleading was filed.” Kroger did not respond to a request for comment while Ms. Robtoy’s attorney had no comment.

The April 14 lawsuit filed by New York state charges the DOL’s regulation “unlawfully narrows workers’ eligibility for emergency family leave and paid sick leave” guaranteed by the FFCRA. It states, for instance, that the final rule “imposes a new ‘work availability’ requirement.” The DOL filed a motion to dismiss the case “for lack of subject matter jurisdiction” on April 28. New York state filed a motion in opposition May 5.

Judy Greenwald

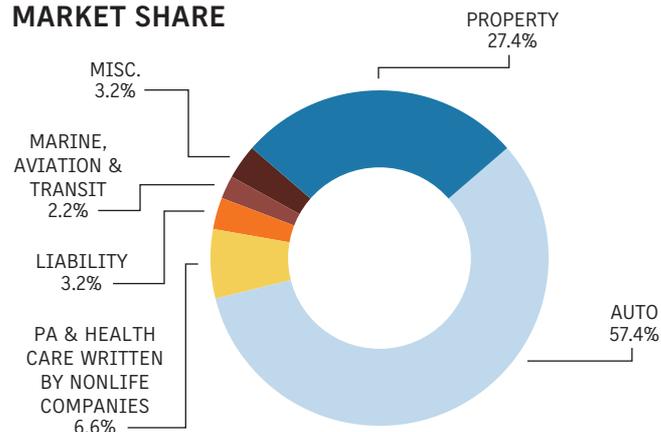
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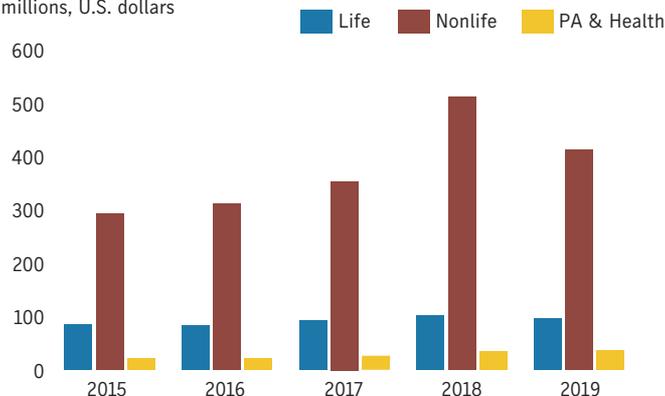
Estonia's modern insurance industry has been in existence for over 25 years, and even though the market remains small in European and world terms, it continues to develop slowly but positively. Market penetration in property insurance varies: All the largest industrial/commercial property risks are insured, while over 75% of medium-sized risks are covered and more than 50% of small commercial risks. At the time this report was being prepared, the full impact of the COVID-19 pandemic on the Estonian and global insurance markets remained to be seen. Initial reports suggested that, as in other markets, any business interruption coverage in commercial policies will not be triggered unless specific pandemic cover has been arranged. Travel insurance will be affected, as will trade credit insurance. The fall in investment markets may also hit the solvency position of some insurers.

MARKET SHARE



MARKET GROWTH

In millions, U.S. dollars



Source: Axco Global Statistics/Industry Associations and Regulatory Bodies

COMPULSORY INSURANCE

- Auto third-party liability
- Air passenger carriers' liability
- Professional indemnity for professions including notaries, auditors, attorneys, bankruptcy trustees, bailiffs, assayers, patent attorneys and insurance intermediaries
- Workers compensation
- P&I cover for Estonian ship owners
- Liability of internet services providers in respect of digital signatures

NONADMITTED

Unauthorized insurers cannot carry on insurance activity in Estonia, although there is nothing in the law to indicate that insurance must be purchased from locally authorized insurers, with some exceptions. This is generally interpreted to mean that insurers can issue policies from abroad with exceptions if approached by a buyer and/or an intermediary. Insurers involved in nonadmitted placements are not obliged to warn buyers that they are not subject to local supervision. Insurers from European Economic Area states (all EU member states, Iceland, Liechtenstein and Norway) may provide insurance under freedom to provide services.

INTERMEDIARIES

Intermediaries must be authorized to do insurance business. Those licensed to conduct insurance activities in their home countries, may also engage in insurance activities in Estonia by establishing a branch or engaging in cross-border insurance activities. There is no legislation relating specifically to multinational insurance programs or multinational insurers and such insurances and insurers are subject to the same rules as all other insurances and insurers.

MARKET PRACTICE

Although most business is placed locally, some insurance for large and complex risks involving high sums insured is placed abroad with EU/EEA insurers using brokers. Where the largest risks are concerned, the Estonian market is often bypassed and insurance placed directly into foreign markets.

MARKET DEVELOPMENTS

Updated April 2020

- The auto third-party liability market continues to be competitive. After reporting poor results, insurers increased prices between 2016 and 2019 but rates have started to decline.
- A law on compulsory workers compensation insurance was expected to come into force 17 years ago, but the issue has been intermittently discussed and postponed on several occasions since. Although in 2018 it was again reported that such a system was on the then-government's agenda, the new government in power after the 2019 general election has little enthusiasm for it.
- Reports in 2020 suggested that at least one group — one representing farmers — is considering the possibility of forming a mutual insurer for its members. This follows amendments to the Insurance Activities Act that became effective last year allowing the operation of mutual insurance companies.
- In February 2020 it was announced that finance and banking group LHV is planning to establish a nonlife insurer, LHV Kindlustus. The company will be majority owned by LHV Group and by stakeholders in retail chain Euronics. The new insurer will concentrate on the Estonian market aiming primarily at the clients of LHV Pank and Euronics.



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Brokers named in virus lawsuit

■ A Kansas City, Missouri, barbecue restaurant seeking coverage for coronavirus-related losses filed suit against its insurer, retail broker and wholesaler.

In the suit, *Ja-Del Inc. v. Zurich American Insurance Co., Lovell Sagebrush Insurance Group Inc. and R-T Specialty LLC*, filed in state court in Kansas City, Ja-Del, which operates Jack Stack Barbecue Restaurants, said it had seen a substantial loss in income “and direct physical losses” after local authorities in Missouri ordered businesses to shut down in March in an attempt to limit the spread of COVID-19.

According to the complaint, Ja-Del filed a business interruption claim and received a claim denial letter from Zurich.

“The Denial Letter lists the coverage language from the Business Income Coverage Form section of the Policy, in part. The Denial Letter, however, then lists a ‘Microorganism Exclusion’ from an entirely different section of the policy, implying that it applies to the Business Income Coverage Form, when, in fact, it does not,” the lawsuit states.

The lawsuit also alleges negligence by retail broker Lovell Sagebrush and wholesaler R-T Specialty LLC, a unit of Ryan Specialty Group LLC.

The brokers breached their duty to the policyholder “by communicating inaccurate information as to what the Policy covered and/or not procuring a policy that fully covered Plaintiff’s business income losses,” the suit says.

In addition, the brokers “made representations to Plaintiff that the Policy covered business income losses, yet, Zurich has denied Plaintiff’s claim,” court papers say.

The suit is one of dozens of lawsuits filed by restaurants and other service industry companies across the country seeking business interruption coverage following government-mandated closures.

Court upholds fines for casino, TPA

■ A casino and its third-party administrator were denied judicial review of penalties and fines they received for failing to pay workers compensation benefits on time.

In *Treasure Island Hotel and Casino v. Voorhees*, the Nevada Court of Appeals unanimously upheld the Nevada Division of Industrial Relations’ decision to impose penalties and fines against the employer and insurer for failing to provide timely disability payments and vocational rehabilitation.

Heidi Voorhees was working as a cocktail waitress for Treasure Island Hotel and Casino when she slipped and fell on a wet floor during a shift in November 2014, suffering injuries to her knees, ankles and elbows. She filed a workers compensation claim, and the casino’s TPA, York Risk Services Group Inc., handled it. Ms. Voorhees was released to light duty, but because the casino could not accommodate her work restrictions, she was awarded temporary total disability benefits.

She filed an administrative complaint alleging that York issued her payments late and suspended her vocational rehabilitation benefits. The Division of Industrial Relations held that York engaged in a pattern of untimely payments and wrongly suspended vocational rehabilitation benefits for Ms. Voorhees and imposed penalties and fines for each violation.

Treasure Island and York petitioned a district court for review of the division’s decision, which was denied. They then petitioned the appellate court for review, arguing that the division’s finding was not supported by substantial evidence.

The appellate court affirmed the division’s decision.



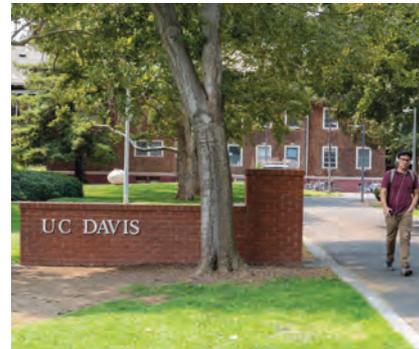
Custodian’s cumulative trauma claim denied

■ The Supreme Court of Iowa denied compensation for cumulative trauma injuries suffered by a custodian who slipped on wet grass in 2008 and continued to suffer after surgery and continued work.

Anita Gumm was 56 years old when she began working for the Easter Seal Society of Iowa, with duties that included laundry work, housekeeping and janitorial duties. Seven months into her employment, she suffered her fall, fracturing her right ankle, according to documents in *Anita Gumm v. Easter Seal Society of Iowa Inc.*, filed in Des Moines, Iowa.

Citing that the statute of limitations had expired on her injury, a state workers’

compensation commissioner and a district court ruled that a cumulative trauma claim “is not available in these circumstances.” A divided Court of Appeals, citing case law that a cumulative injury claim could be present, reversed and remanded. The state’s highest court then reversed, denying benefits and citing medical testimony that stated Ms. Gumm “was going to develop arthritis regardless of whether she returned to work.”



University sued for not refunding fees

■ A University of California student filed a putative class-action lawsuit against the university, stating it refused to return fees paid for the spring semester even though students were no longer on campus.

“Despite its constructive eviction of students from campus for the remainder of the semester and ending all campus activities for at least that same time period, University of California has not offered refunds to students for the unused portion of their campus fees paid to cover the cost of certain on-campus services which are no longer available to students. University of California is, in essence, profiting from this pandemic,” says the lawsuit filed in U.S. District Court in Oakland in *Claire Brandmeyer v. the Regents of the University of California*. Ms. Brandmeyer is a student at UC Davis.

The suit states that while the university’s decision to transition to online classes and instruct students to leave its 10 campuses were responsible, “it is unfair and unlawful for University of California to retain fees and costs and to pass the losses on to students and/or their families.”

The complaint states other higher education institutions across the United States in similar situations have provided “appropriate refunds.”

The complaint states that students paid about \$1,128 in student services fees for the 2019-2020 academic year. Students who attend Davis also paid about \$1,900 in campus-based student fees for the Spring 2020 semester, which students on other campuses pay as well, according to the complaint.

The complaint’s charges include breach of contract and unjust enrichment.

DOCKET



BALTIMORE COP WINS RETIREMENT BENEFITS

A Baltimore police officer is eligible for a disability retirement for injuries suffered in the line of duty after he was diagnosed with memory loss and attention deficits following a work-related concussion, an appeals court in Maryland ruled. In reversing an earlier ruling that found the officer ineligible because of state statutes regarding mental injuries that bar such workers compensation and disability claims, the Court of Appeals of Maryland found that current science and medical evidence point to brain injuries as physical injuries.

SUBROGATION CLAIMS GET GREEN-LIGHTED

An employer may pursue its subrogation claims against individuals who rear-ended a car driven by one of its employees who was on the clock, the New Jersey Supreme Court held. In *New Jersey Transit Corp. v. Sanchez*, the court affirmed in a 4-3 decision an appellate court ruling that found that the state’s no-fault auto insurance scheme did not bar an employer from suing to recoup workers compensation costs it paid out for a worker’s injuries. In 2014, David Mercogliano was struck from behind while driving a company car in the course of his employment and suffered cervical injuries.

RETRIAL ORDERED IN FORKLIFT INJURY

An appeals court ordered a retrial in a negligence lawsuit against a fruit company that resulted in a \$2.6 million award to a man injured in a forklift accident at a California mandarin orchard. Jesus Alaniz was a truck driver working for an independent contractor who delivered empty fruit bins to the Sun Pacific Shippers orchard near Fillmore, California, in 2012 when he fell off his truck and had his leg crushed when a forklift ran over him, according to court documents. In its successful appeal, Sun Pacific contended that the trial court “prejudicially erred” in its jury instructions.



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Wednesday, June 3 at 12pm-1pm EDT

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Kevin Maher
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Lindsay Robinson (California Cannabis Industry Association)

Moderator: Dean Rocco (Wilson Elser)

STATE OF THE HEMP & CBD INDUSTRY

Speaker Panel: Gary Broadbent (GenCanna Global, Inc.), Stephen Konigsberg (Tikun Olam USA), Neil Willner (Wilson Elser)

Moderator: Eduardo Provencio (Mary's Medicinals)

CANNABINOID PRODUCT RISK MANAGEMENT

Speaker Panel: Arun Kurichety (KushCo Holdings, Inc.), Tom Lewandowski (Gradient), Rocco Petrilli (NCRMA)

Moderator: Ian Stewart (Wilson Elser)

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Speaker Panel: Summer Jenkins (Cannasure Insurance Services), Corey Tobin (Bolton & Co.)

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Jim Wetekamp became CEO of Atlanta-based Riskconnect Inc. in April 2018. A few months later, private-equity-backed Riskconnect acquired rival risk management information services provider Marsh ClearSight, formerly a unit of Marsh LLC. Before joining Riskconnect, Mr. Wetekamp was CEO of BravoSolution, a cloud procurement technology solution provider. Mr. Wetekamp recently spoke with *Business Insurance* Deputy Editor Claire Wilkinson about how the integration has gone and how the RMIS provider is supporting its customers amid COVID-19.

Jim Wetekamp

RISKCONNECT

Q How is Riskconnect supporting organizations and risk managers amid COVID-19?

A We were all faced with an initial period of react and respond — a triage moment. In that triage moment we supported our customers to capture COVID-19 data elements that were essential for understanding their changing risk, communicating that to third parties, and visualizing and actualizing how the coronavirus was moving geographically. Then we moved into the middle phase where we've adjusted our service menu, giving them access to templates for continuity and how to maintain operations in an extended work-from-home or rolling pandemic scenario. Now we're starting to set our eyes on this third stage of pivoting to new realities. For example, companies that didn't used to have to worry about HIPAA compliance or controls but now are faced with needing to ask employees about their health status: Have they been immunized? Have they come down with COVID-19? How does that impact them from a data privacy, cyber protection standpoint? We're trying to get them new tools to manage whatever the definition of new normal will be by jurisdiction, by line of business or by product area.

Q What COVID-19 tools are proving most helpful at this time?

A The single tool that's been the most valuable to our customers has been the networking and ability to get into forums and discussions with their peers. Some of our highest engagement has been the webinars and informational series on dealing with the COVID-19 response, our industry forums and advisory boards. A lot of our primary tools have been non-monetized around information sharing. If they're looking at a new process to go in and attest third-party vendors or start to think about rolling out policy changes, we're trying to package those things effectively.

Q How does COVID-19 and the economic downturn change Riskconnect's business focus going forward?

A In a certain way it doesn't. When you think about the nature of risk in a challenging and hardening renewal market,

changes may be needed to the way your particular policies might be structured. Is it going to be more important to be on top of the rising scope and change of regulatory compliance needs? Am I going to need to rely on analytics and data? Is risk increasingly at the center of corporate strategy or not? Do I need to coordinate more across silos? All those things that Riskconnect was built on are accentuated and amplified. Yes, sure it's a tough economic market, budgets are down, IT spending is down, but those are all temporary. This ultimately provides us a greater opportunity to provide value to customers.



Q Riskconnect acquired Marsh ClearSight in 2018. How's the integration going?

A In terms of growth, the acquisition gave us a great cross-industry book of longstanding experience, which we used to drive scale for Riskconnect on a global basis. That customer base gave us extended capabilities into broader integrated risk, in operational, financial and compliance risk areas. One of the hidden gems in that acquisition was the decades' worth of data, and we're starting to harness that data and turn it into insights for customers. In terms of the team, the cultures have come together. When you look at Riskconnect today, almost two years later, the teams are about one-third ClearSight, one-third Riskconnect, and one-third new. A lot of people think about acquisitions in terms of synergy, removing resources and combining systems. We grew our team post-acquisition by 15% and amid COVID-19 we're going to grow our team by another 10% from 2019

and 2020. We continue to see growth in customers and team on the basis of that acquisition, so I'm very pleased.

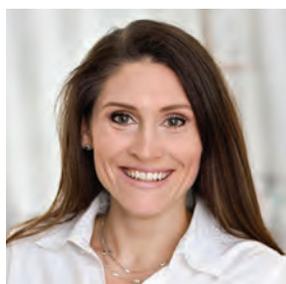
Q How does Riskconnect differentiate in a consolidating market?

A There are less players, but overall the total available market is increasing. We continue to see green-field RMIS opportunities. I look back to when Riskconnect was founded in 2007, and our main differentiator remains the same and that's to correlate all risk. We believe that the risk manager's role should involve operational integration with the whole business and then it moves from defense to offense. How you link to corporate strategy performance and ultimately drive the growth of the business is by being connected in risk to the rest of the business and that's the number one way in which we differentiate. The second way is we do it on an extremely agile leading application with substantial innovation investment that is easy to use and adaptive to the customer's environment.

Q What M&A opportunities do you see on the horizon?

A It's a little difficult to comment on that publicly. The segments that are changing rapidly, and I think Riskconnect sees an opportunity to invest in, are going to revolve around two primary areas. One is the bridge from risk to resilience, and we spent a lot of time here prior to COVID-19, but it's all around operational resilience. If you think of your resilience as a radar chart in all the different points and lines of business, how do you punch out the farthest point on that radar chart that relates to resilience and what kind of tools do you need? That's a key area of focus for us and an area of growth for Riskconnect. The other area is if risk management focuses on the core of what we do, information technology risk and a digitalization of risk is a huge transforming area. So, this brings into the frame IT risk management, which is a little bit of third-party risk management but also cyber vulnerability and information security. Every company has a digital area around risk. How do we help facilitate the protection of the organization and lower the total cost of risk?

When you think about the nature of risk in a challenging and hardening renewal market, changes may be needed to the way your particular policies might be structured. ... Is risk increasingly at the center of corporate strategy or not?



BUSINESS INSURANCE

BREAK

OUT AWARDS

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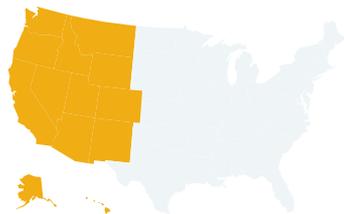
MIDWEST

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It's unclear in what shape the insurance and risk management sector will emerge from the COVID-19 pandemic, but there's little doubt it is going through change.

Even before the coronavirus struck earlier this year, insurance prices were rising, technology was transforming business processes and new risks continued to emerge.

With the onset of the pandemic, huge social and economic changes have been

imposed on everyone in the space of weeks, some of which will be transitory, but some will have lasting effects.

As we work through the upheaval, business smarts and adaptability will be an even more valuable commodity.

Fortunately, many organizations in the sector have those skills in hand.

The 40 honorees selected for the 2020 *Business Insurance* Break Out Awards represent some of the most talented leaders developing in the industry.

To be eligible for the award, nominees must work in commercial insurance or related sectors and cannot have worked in the field for more than 15 years.

To maintain diversity in geography and types of organization, the honorees are

grouped in four regions of the United States: Northeast, South, Midwest and West.

All the nominations — which highlighted the nominees' client-service skills, expertise and leadership qualities — were reviewed by *BI* editors. After selecting finalists, we contacted references to learn more details about the nominees' achievements.

In the following pages, you can read edited excerpts of interviews with all the winners and learn how they found their way into the industry, what they find most challenging about working during a pandemic, things they wish they'd known when they were 18 and their top choices for movies and meals — pizza remains a perennial favorite.

Gavin Souter, editor

2020 BREAK OUT AWARDS WINNERS

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GUILHERME 'WILL' DEBARROS

Development leader/business strategist,
life science and technology practice

Marsh & McLennan Agency LLC

New York

36

Perhaps it was his early interest in science that led Guilherme "Will" Debarros to his current position. He joined Marsh & McLennan Cos. Inc.'s small and mid-market unit in 2016 and has been in his current role for the past four years. In early 2018 he was also chosen to co-chair the national life sciences practice. Previously, he was associate vice president at Heffernan Insurance Brokers Inc. in New York and prior to that worked with Zywave Inc., an insurance software company.

What is the biggest challenge of working through the pandemic?

The deep level of uncertainty caused by the pandemic has been the biggest challenge for me. The widespread impact on the business community has been unprecedented, so it is a challenge to navigate without having a clear picture of how this plays out. The lack of face-to-face interactions has also created challenges in an industry that is primarily driven by relationships.

What advice would you give to someone starting out in the business?

Let your passion drive you toward industries that you will enjoy working with. Your passion will truly drive your success. Network and absorb knowledge, immerse yourself in your field and learn from all of the talent in the industry. Be diligent and work extremely hard to produce positive outcomes for clients.

What is something about you that would surprise people?

I've always been fascinated by science. The first job I can remember wanting as a child was to become a scientist.

What do you know now that you wish you knew at 18?

I wish I knew that I didn't know everything at 18 years old and that learning would be a lifelong journey.

What is your favorite meal?

Anything my mom makes. Her spaghetti and chicken dish is probably my favorite.



BRAD ELDRIDGE

Vice president

Falvey Cargo Underwriting,
part of the Falvey Insurance Group

North Kingstown, Rhode Island

31

Brad Eldridge's introduction to the insurance business was through Mike Falvey, owner of Falvey Insurance Group, who was also the father of a good friend. In 2013, he joined the company's cargo underwriting team. Shortly afterward, he attended the Andrew Beazley Broker Academy at Lloyd's of London, now the Lloyd's Broker Academy. In addition to his underwriting responsibilities, he teaches continuing education classes on marine topics.

What advice would you give to someone starting out in the business?

Look for opportunities and volunteer for

them, not only within your company but in the industry. Look for associations, professional groups, different industry-wide conferences. Try to get yourself out there, don't be afraid to ask questions and learn from your mistakes.

How will your work change going forward?

The marine industry is one of the oldest insurance lines historically. We're going to have to find new, innovative ways to add on coverages to marine cargo policies. Especially with what's going on now, we're going to have to find a way to offer our clients some kind of a pandemic coverage.

What is something about you that would surprise people?

I'm on the board of the Narragansett Lion's Club, a community charity organization.

What do you know now that you wish you knew at 18?

That success and opportunity in your life comes down to the relationships you build. I would like to go back and focus more on developing relationships than concentrating on getting straight A's.

What is your favorite meal?

Breakfast. My family owns breakfast diners, and my guilty pleasure is a sandwich called the King Meltie. It's a double decker bacon, sausage, egg and cheese melted on an onion bagel.



BLEDITION DIZDARI

First vice president, operations and finance

Alliant Insurance Services Inc.

New York

33

An internship with Marsh LLC while in high school paved the way for Bledion Dizdari to land a job at Aon PLC after he graduated from college in 2009 at the height of the Great Recession. After starting as a financial analyst, he worked his way up to senior financial analyst and moved to Alliant in 2012. He started as assistant vice president in the construction services group and was promoted to vice president operations and finance in the group in 2015 and then first vice president in June 2018.

What advice would you give to someone starting out in the business?

Cultivate those relationships. Ask ques-

tions beyond just your role and duties and get to learn exactly the industry you're in. Understand what feeds it, and don't just stay in your box. Speak to colleagues, learn what they do and how their side works and get the full picture.

How will your work change going forward?

There will be a lot more video conferencing for me in the future. I was pretty mobile and comfortable working remotely, but now everybody else is catching up.

What should the industry do to attract more young people to work in it?

I think the industry isn't portrayed accurately. This industry can be very complex and challenging, and it can also be very rewarding. There's a lot of successful people at the top.

What is something about you that would surprise people?

I was voted class clown and most likely to succeed in high school.

What is your favorite meal?

Byrek — an Albanian dish which has spinach and cheese wrapped in filo dough.

All-time favorite movie?

"Kingdom of Heaven," 2005 starring Orlando Bloom.



CHRISTA FAUSTMAN

Executive vice president,
branch manager (property/casualty)

BMS Group Ltd.

Philadelphia

38

Christa Faustman joined BMS in October 2010 and became executive vice president in April 2018, serving first as vice president and senior vice president. Previously, she worked at Guy Carpenter & Co. LLC in claims and accounting but was encouraged by the head of the Philadelphia office to consider broking, which she took to and enjoys despite considering herself to be an introvert and more the data and analytics type.

What is the biggest challenge of working through the pandemic?

The biggest challenge was the perception that this was going to be difficult. In time,

however, working remotely has ended up being no different than what you accomplish day to day. The anticipation of the challenge was the biggest challenge, but everything has worked out really well.

How will your work change going forward?

If there was anything that may change, possibly the amount of travel to have in-person meetings may become less frequent because of the availability of virtual meetings.

What should the industry do to attract more young people to work in it?

The insurance industry has to do a better job with publicity and showing young talent, college graduates, those interested in the business world, that it's really cool. Insurance gets viewed as an old way of doing business, but the reality is it's constantly evolving and changing because with everything that's happening in the world, there's some kind of connection to insurance.

What is something about you that would surprise people?

I am one of six kids — not everyone knows that. I come from a big family.

All-time favorite movie?

"Father of the Bride" — I love Steve Martin.

What is your favorite meal?

I love lasagna, and I love Dairy Queen twist ice cream with rainbow sprinkles.



PRABAL LAKHARPAL 31
Vice president
Spring Consulting Group LLC
Boston

Prabal Lakharpal joined Spring Consulting Group in 2015 after completing his MBA at Babson College in Wellesley, Massachusetts, beginning as a consulting analyst. He then advanced to consultant, then senior consultant and finally to his current role as vice president. Previously, he had worked for financial consulting firms where he focused on the tactical aspects of client work such as tax and accounting. He made the move to consulting to be more client-focused and involved in the strategic aspects of the work.

What is the biggest challenge of working through the pandemic?
A lot of clients today are having to

rethink their insurance programs, their insurance structures, their risk framework altogether, as markets on both sides — property/casualty and employee benefits — begin to harden. We are focused on helping clients think through how they can leverage alternate risk-funding techniques and helping them re-think the impact of their changing environment on their risk framework.

What advice would you give to someone starting out in the business?
To me, the learning curve has been the most exciting piece of the business — that’s what keeps me engaged. Always have an open-minded approach to the business. Don’t be set in your ways. It’s very easy to come into the business, spend the first couple of years learning and then want to do the same thing over and over again.

What should the industry do to attract more young people to work in it?
Insurance traditionally has not been something that is considered sexy. The more you learn about the industry, the more you realize how much insurance is more than just placing coverage.

All-time favorite movie?
“Ocean’s Eleven” — remake (2001).

What is your favorite meal?
Butter chicken with garlic naan — a traditional Indian dish. It’s my comfort food.



EMILY LOWE 39
New England regional leader, cyber, FINEX and E&O
Willis Towers Watson PLC
Boston

Emily Lowe began her career in the insurance industry in 2009 amid the financial crisis. She worked first as a professional liability underwriter at then-Ace American Insurance Co. before switching to the broking side of the business to join Willis Towers Watson in 2014. In her current role, she leads the placement of cyber and professional liability risks for a portfolio of clients, managing a team of six brokers.

What is the biggest challenge of working through the pandemic?
We’ve had two team members join us in the midst of the social distancing and work from home. Making sure they had

the appropriate support, from getting their laptops and equipment, to onboarding, and making them feel part of the team while all working separately has been something I’ve been very mindful of while working from home.

What advice would you give to someone starting out in the business?
Learning the different pockets and parts of insurance is something that I would recommend someone starting in insurance think about. My background as an underwriter has helped me immensely as a broker. I know the process that they go through, the challenges that they face, and it’s helped me better negotiate.

How will your work change going forward?
The word that I keep coming back to is adapting. What my job and work responsibilities look like now could change in three months, depending on what Willis decides is the best way to bring everyone back into the office. I’m trying to be as adaptable as possible from a work process perspective.

What do you know now that you wish you knew at 18?
Think about insurance as a career. COVID-19 gives us an opportunity to appreciate what insurance is and the value it plays in the economy, too.

All-time favorite movie?
I love “Harry Potter” movies.



CAREY ANNE NADEAU 33
CEO and founder
Ometry
Jersey City

Carey Anne Nadeau grew up in the suburbs of Hartford, Connecticut, the so-called insurance capital of the United States. That early proximity to the insurance business may have had an influence on her career path. After gaining her master’s degree in city planning from the Massachusetts Institute of Technology in 2015, she founded ODN, now Ometry, a risk technology company that measures road safety.

What is the biggest challenge of working through the pandemic?
The biggest challenge for us is that we like to meet people face to face. We work with people that value transparency and accountability, and it is really hard to

assess someone’s interest in using the data and to build a relationship when you’ve never met them face to face.

What should the industry do to attract more young people to work in it?
Stop talking so poorly about itself. If I could show the insurance industry that we get 1,000 applications every semester for our fellowship program. There are young people who are interested in measuring risk because it has an impact on people’s lives and is meaningful work. We just have a bad PR problem.

What is something about you that would surprise people?
I am a terrible driver. I’ve been to driver retraining twice.

What do you know now that you wish you knew at 18?
To tell your story and take up time. The more you add flavor and context and give people some ability to get to know you, the more they will take an interest in what you’re doing.

All-time favorite movie?
“Dirty Dancing.” I must have seen it a thousand times as a child. I still watch it two to three times a year.

What is your favorite meal?
One someone makes for me. I love food on the grill.



JESSICA RAUCHMAN 30
Director
Tishman Speyer
New York

As a finance major at the University of Wisconsin in Madison, Jessica Rauchman took an elective class in risk management. She loved it so much, she completed a double major in finance and risk management. After graduating in 2011, she took an analyst role at real estate owner and developer Tishman Speyer in New York assisting with policy renewals and placements. Nine years later, she is now a director, focusing on risk management and loss control.

How will your work change going forward?
I think there will be a lot more virtual meetings and less travel. It’s become apparent over the past couple of months that it’s not

necessary to travel for a one-hour meeting. You can get things accomplished via looking at that person eye to eye on a video screen. It’s amazing what technology has done and how we’ve all managed to make a bad situation into a valuable situation.

What should the industry do to attract more young people to work in it?
It’s important to have industry events tailored toward young professionals. There are a lot of events for senior management and for students, but I think there’s a gap for young professionals in their 20’s and 30’s, which is why I was on the board of the New York Young Risk Practitioners Group, affiliated with the Risk and Insurance Management Society Inc. It’s really important to get those people involved.

What is something about you that would surprise people?
I’m a huge foodie, I love going to all the new restaurants.

What do you know now that you wish you knew at 18?
Be appreciative of everything and don’t take the small things for granted in life. This global pandemic has really taught me that I’m so fortunate to have a job, close friends and family, and put food on the table.

All-time favorite movie?
“Pretty Woman.” It’s a classic.



ANNA ROZIN

North America M&A Manager
American International Group Inc.
New York

37

Anna Rozin joined AIG in August 2017 as a senior mergers and acquisitions underwriter and was chosen to head the North American M&A insurance team in March of this year. Prior to joining the insurer, Ms. Rozin was in private practice as an attorney, most recently as an associate at Ropes & Gray LLP. She earned her law degree from Fordham University School of Law in 2008.

What advice would you give to someone starting out in the business?

From day one, remember that the relationships you build are as important as what you learn.

How will your work change going forward?

The reps and warranty insurance industry is experiencing some significant claims activity and our focus will need to shift to addressing sustainability of the product for the long term.

What should the industry do to attract more young people to work in it?

We need to dispel some misconceptions about the industry. If you have a background in technology, finance, marketing, etc., you may discount the insurance industry. We need to get better at articulating the opportunities in the insurance industry for people who are not necessarily looking to be underwriters or brokers.

What is something about you that would surprise people?

I was born in Russia and immigrated to the U.S. when I was 7 years old.

What do you know now that you wish you knew at 18?

I now know that the perfect time to try different things and make a ton of mistakes is when you're young. I wish I did more of that when I was 18 and in my 20s.

All-time favorite movie?

"Good Will Hunting."

What is your favorite meal?

Sushi.



AYESHA WEST

Vice President
Everest Insurance
New York

36

Ayesha West landed her first underwriting job at Chubb Ltd. in 2013 as a senior underwriter before moving to Axis Capital in 2016 as an underwriting manager and Navigators in 2018 in U.S. retail cyber and technology. She joined Everest Insurance in January 2019. At Chubb she initially wrote errors and omissions for law firms, taking advantage of her law degree from Fordham University, but realized she liked cyber better as it was a more dynamic market with continually changing variables and parameters.

What advice would you give to someone starting out in the business?

Don't neglect the people part of the

business. Find a good mentor. Choose your boss and your direct manager just as carefully as you choose your company or team.

How will your work change going forward?

In the short term, having to do what used to be in person via technology, whether video or another remote situation. I don't know how business travel will be impacted for the rest of 2020, but maybe 2021 will be somewhat back to normal.

What should the industry do to attract more young people to work in it?

I think we need to be better at on-campus outreach and improving our image as an industry. Show bright young people that there is not only a career option available but that it's interesting and vibrant and not as boring as it sounds on paper.

What do you know now that you wish you knew at 18?

Focus on the people part of the business. If I could tell myself then what I know now, it would be to not only be book smart and academically focused, but to round myself out with building relationships and connections with people.

What is your favorite meal?

Pizza — it's my comfort food.



Arch Insurance would like to congratulate
SAM NOLLEY

as a 2020
BI Break Out
Award Winner





STAN BERNARD

37

Assistant vice president, commercial officer
CNA Financial Corp.
Timonium, Maryland

After starting out in commercial banking as an analyst after graduating from Rutgers University, Stan Bernard was invited to join the insurance industry in 2008 just as the economy — and the financial services sector — was spiraling into a recession. It was a great segue, he said, as his first role had him specializing in insurance for financial institutions.

What is the biggest challenge of working through the pandemic?

I find the biggest challenge is balancing homeschooling, day care and work. My wife and I came up with a process that works, but the two little co-workers at home make it interesting.

What advice would you give to someone starting out in the business?
Be intentional and focused on continuous improvement through structural learning, learning on the job, networking, mentorship and sponsorship.

What should the industry do to attract more young people to work in it?
Meet young people where they are. Stay engaged on university campuses and social media platforms. This connection gives the industry an opportunity to tell our story — how we help lives and businesses.

What is something about you that would surprise people?
I have known my wife since middle school. We grew up in the same town — Maplewood, New Jersey.

What do you know now that you wish you knew at 18?
Failure is inevitable, and it's OK to fail as long as you learn from it. When I was 18, sports was a big part of my life. I was very competitive, and I didn't take failure well. I've learned that failure isn't fatal.

All-time favorite movie?
I really enjoy thrillers and sci-fi, and Leonardo DiCaprio is one of my favorite actors, so I would have to say "Inception."

What is your favorite meal?
Seafood pasta.



DIANE BIDEK

34

Vice president
Beecher Carlson Insurance Services LLC
Atlanta

Diane Bidek helps clients develop insurance programs to manage risk, specializing in large and complex programs, all with a simplistic approach: collaboration and being personable. Those are her trademarks, according to colleagues. She does this, they say, by going into "the weeds" to better understand the needs of an organization.

What is the biggest challenge of working through the pandemic?

Staying up to date with people. It used to be that if someone's office door was open you could pop in and have a conversation. That happened organically. And now with the pandemic you have to schedule

everything. It feels a little forced. Another challenge is that our clients are going through a lot, and they are asking us questions we don't have answers to.

What advice would you give to someone starting out in the business?
The first piece of advice right now is to keep your calendar full. Just try to jump in people's calendars even if they have 15 or 20 minutes. Working at home, it's easy to fall into this habit of, I'm just doing my work here. You are losing some of that mentorship and career growth that you would have if you were in the office all day.

How will your work change going forward?
I still feel like it is very early in this whole new normal. I think my work will change in that we will have a more virtual or online collaborative workforce. You won't necessarily be in the office as much. I think these will be good changes.

What is something about you that would surprise people?
I am the world's worst speller. I have every spellcheck you can have on Excel, Outlook or email. I can't send anything without checking.

All-time favorite movie?
"A League of Their Own"

What is your favorite meal?
Pizza. Even bad pizza is good pizza to me.



ALEX BURTON

33

Area president, Alabama
Arthur J. Gallagher & Co.
Birmingham, Alabama

Alex Burton's father, who had studied insurance in college in the 1960s, told him just as he was heading to Mississippi State University in 2005 to study the same subject: No matter what, everybody needs insurance. The notion became more real a month into his freshman year when Hurricane Katrina plowed through the campus. Three years later, he joined Arthur J. Gallagher & Co. for a summer internship and never left.

What is the biggest challenge of working through the pandemic?

I love to talk and connect, and I love being around our clients, our prospective clients and our colleagues in person.

It has been difficult working out of the basement of my home and not being able to be around those people.

What should the industry do to attract more young people to work in it?
It is such a hidden industry. What we can do is promote the easily identifiable benefits of the industry, at least to college students. We are in the business of helping people and putting lives and businesses together and it is a very rewarding industry.

What is something about you that would surprise people?
I am fascinated with aviation. That would come from my father, who got an insurance degree but was an airline captain with Northwest Airlines for 40 years. The first time he was on a plane was to attend school with Travelers Insurance; he ended working for them for a while and then went on to learn how to fly.

What do you know now that you wish you knew at 18?
I wish I could tell my 18-year-old self that things are temporary. Spend time with those that you love and hold dearest.

All-time favorite movie?
"Saving Private Ryan."

What is your favorite meal?
I love a steak, a loaded baked potato and a salad.



JOE CHRISTIAN

36

Senior vice president, senior sales executive
Marsh LLC
San Antonio

Joe Christian didn't have a family connection to insurance, but an internship at Wortham Insurance & Risk Management while at the University of Texas proved pivotal. After graduating, he worked at a startup, before joining Wortham in 2010 as a producer. When Marsh LLC acquired Wortham in 2018, he became a senior vice president, serving oil and gas, real estate and auto dealership clients.

What advice would you give to someone starting out in the business?
Find great mentors and latch on to them. When I started as an intern in college, a few people in the Austin office really took an interest in me and ignited my

interest in the insurance business. That really helped me. Secondly, think about our business with a long-term view. Finally, try to say yes to about everything, whether it's happy hour with new colleagues or doing some research on this industry that nobody knows about.

How will your work change going forward?
The face-to-face interaction is hard to replace, but you can do a lot through a Zoom call. Most of my work has been focused in Texas, but it doesn't matter where clients are located. It will broaden the territory for a lot of us as we think in a different way.

What should the industry do to attract more young people to work in it?
At the local level, we need to be more proactive about not only recruiting students but educating them on what a great industry it is.

What is something about you that would surprise people?
As a kid and teenager, my lifelong dream job was to be a high school football or baseball coach. I still try to live that out a little bit. I'm very active in coaching with my kids and their teams.

All-time favorite movie?
I'm a sucker for any cheesy inspirational movie, from "Braveheart" to "Shawshank Redemption," "Forrest Gump."



NATHAN REZNICEK

37

Director of operations
CIC Services LLC
Knoxville, Tennessee

The industry term “captive” was unfamiliar to Nathan Reznicek as he was climbing the corporate sales ladder at Canon U.S.A. Inc., eventually becoming Midwest regional manager. It wasn’t until a printer salesman he managed went to work in insurance that he became captivated by the industry. Now a decade into his insurance career, Mr. Reznicek develops captives programs to help companies manage their risks.

What is the biggest challenge of working through the pandemic?

It’s a little bit of monotony where one day bleeds into the next. It’s difficult to tell a Tuesday from a Sunday. Yet, people are

more available because we are all stuck. People are getting work done this way.

What advice would you give to someone starting out in the business?

The field is so broad. You can do anything, from loss control to risk mitigation. Try to get a flavor of what the industry is and find what you want to do.

How will your work change going forward?

I’d expect the requirements for in-person meetings and travel to decrease considerably. The captive insurance industry has traditionally been a rather close-knit one, with regularly scheduled conferences for state associations, regulatory meetings and general industry meetings. With the relative ease that the industry has made to a near 100% remote workforce I would expect the acceptance and utilization of video meetings and digital-based conferences to continue to increase.

What is something about you that would surprise people?

The route that I took to enter into this space. It wasn’t the usual route. I took my experience of being inside a client’s walls to the insurance industry.

All-time favorite movie?

“Princess Bride”

What is your favorite meal?

Protein shakes.



FRANCISCO SALDAÑA

33

Vice president, property and casualty practice leader
USI Insurance Services LLC
Miami

Francisco Saldaña, head of the Miami office and vice president of the Southeast region for USI Insurance Services, said he rose to the top of a \$33 million property and casualty practice with good, old-fashioned work ethic. By putting his head down and getting the job done, and not focusing so much on the next rung in the career ladder, he was able to set himself apart from others in the industry, he said.

What is the biggest challenge of working through the pandemic?

I have two little girls. They are used to hanging out with daddy when I am home. I have to teach them that when the door is closed daddy is working. But my 5-year-

old now sits in on every call and waves at clients. I just started telling clients, “Look, we are all on the same boat, just say hi to my teammate.”

How will your work change going forward?

One of the silver linings of this situation with the quarantine is it has forced all of us to get comfortable with newer technology, especially video conferencing. If you would have told me I would have to make renewal presentations over Zoom I would have said no way.

What should the industry do to attract more young people to work in it?

That’s something that I am really passionate about. I came into this industry and saw the generational gap in talent. I think the thing we need to do is be willing to roll up our sleeves and train people from the trenches. We have good talent coming from excellent risk management programs from around the country. We just need to show them how to work with clients.

What is something about you that would surprise people?

Growing up I attended five different elementary and middle schools and three different high schools. I wouldn’t trade it for the world.

All-time favorite movie?

“Pursuit of Happyness.” Something about succeeding against all the odds.



GEORGE SELLA

33

Senior vice president, principal and casualty broker
Brown & Riding Insurance Services Inc.
Atlanta

George Sella grew up in Charlotte, North Carolina, and when he studied managerial finance at the University of Mississippi he enjoyed his insurance class so much that he decided to add risk management and insurance as a double major. Recruited on campus by Brown & Riding, he started in the wholesaler’s Los Angeles office working on construction accounts and moved to Atlanta four years ago.

How will your work change going forward?

I don’t think that we’ll do away with face-to-face meetings because that’s still

a critical part of the business, but you are starting to see more people be comfortable with Zoom calls and GoToMeeting. That’s a way for people to have face-to-face contact that you might not have had before, especially when you have a client in California and an insurance company in New York or Florida.

What should the industry do to attract more young people to work in it?

Focus on the college programs. You tend to learn more about personal lines insurance, you don’t really learn much about excess and surplus lines. If we can collectively as an industry focus in on educating the young students and recruiting out of risk management programs, you’d have a better funnel for young talent.

What do you know now that you wish you knew at 18?

Probably that I should listen to my parents and work hard in school. When I met my wife in college, it helped me refocus, and now that I have two little girls I realize that what my parents were saying all along was probably true.

All-time favorite movie?

A classic would be “The Godfather” trilogy, but right now all I really do is watch “Frozen” and “Moana.”

What is your favorite meal?

Seabass with some cream spinach.



EVAN TAYLOR

34

Senior vice president
NFP Corp.
Charlotte, North Carolina

Evan Taylor spent his last post in a five-year stint as staff operations specialist with the FBI talking to companies about cyber risk: what it is, and what to do and what not to do. He says the experience helped nudge him toward his career in insurance, where since 2014 he has used his training and skills to help companies understand the complexities of cyber risk — among other business risks — and assist them in navigating the ever-changing, often-confusing environment.

What is the biggest challenge of working through the pandemic?

Personally, working from home. As a broker you are paid to generate and

maintain relationships, and working from home you are locked in your house. It’s tough because you are generally an outgoing person and you want to be around people. That’s been a change, and obviously it will be a short-term deal.

What advice would you give to someone starting out in the business?

Most important, I’ve had two strong mentors who partnered with me and taught me everything about coverage, claims and relationships. Find a mentor and ask that person to take you under their wing.

What should the industry do to attract more young people to work in it?

Designing and fostering mentorship programs that are really thoughtful in the pairing of people. That’s critically important.

What do you know now that you wish you knew at 18?

If you are patient with relationships, goals and what you want in life it is going to pay off in the end. The good things in life come with difficulty. It will take time, but that’s what makes it worth it.

All-time favorite movie?

Without a doubt, “Forrest Gump.”

What is your favorite meal?

Pepperoni pizza or a really good bacon cheeseburger with crispy fries.



KAREN TOTO

35

Partner
Wiley Rein LLP
Washington

Growing up in central Pennsylvania, Karen Toto wanted a career in politics, so she attended colleges in the Washington area for both undergraduate and law school. While attending George Mason University law school, however, she decided she actually wanted to practice law. While working as a summer associate at Wiley Rein, she fortuitously was located on the same floor as the insurance group and quickly developed an interest in the subject matter. She was named a partner of the firm last year.

What advice would you give to someone starting out in the business?
Seek out good mentors and use them as a

resource. Also, keep your eyes open and be open to different things. Your career is going to take you to places you didn't expect.

How will your work change going forward?

Everyone has learned very successfully how to integrate technology and virtual platforms into the things we do all the time, such as claims resolution and litigation and things that you just never would have seen in a virtual operating environment a couple of months ago. We are all looking forward to being back in person with people, but some of it will carry over, and it will be fascinating to see what we can do more efficiently and better now using technology.

What do you know now that you wish you knew at 18?

You don't have to have it all figured out: Karen at 18, relax. Life is going to take you in places you don't expect, and some of them will be difficult, some of them will be great, and it's OK, you don't have to have your entire life and career mapped out at 18.

All-time favorite movie?

"Goodfellas," but if you ask me again in 20 minutes, I'll have a different answer.

What is your favorite meal?

Pork chops and apple sauce.



CRYSTAL WARE

37

Risk manager
Total American Services Inc.
Houston

Crystal Ware started out her career as an attorney, but soon decided to break out from the cycle of billable hours and landed her first job in insurance at Lockton Cos. LLC in 2010. After several years in claims advising and then broking, she moved into the risk management field. She likes applying every facet of her law school education to her role as risk manager for North American operations for Total American Services Inc., a unit of a French energy company.

What is the biggest challenge of working through the pandemic?

As a social person, I love seeing and talking to people even if it's grabbing a

coffee with a colleague down the hall, so from that perspective it can be a little challenging. But if you polled me, I think more than 70% of our population is working at 90% or higher efficiency. For us as an organization it's been great.

What advice would you give to someone starting out in the business?

First and foremost, always be kind. You don't know where your next job is going to come from, internally or externally. You don't always have to like people, but you can always get along with people.

What should the industry do to attract more young people to work in it?

The coming generations are more reliant on social media. There's no way around it without being connected and making things more interesting on LinkedIn or Twitter, and getting out and talking to people and making clear when they think about insurance it's not just homeowners and auto insurance and the guy on the strip mall selling insurance. It's a huge international industry that can take you far and wide.

What is something about you that would surprise people?

I played the cello growing up. People would also be very surprised to know that I get extremely nervous public speaking.

All-time favorite movie?

"The Labyrinth"



ERIC BLANCKE

31

Assistant vice president,
health care underwriting
CNA Financial Corp.
Chicago

Actuarial science graduate Eric Blancke began his career in consulting before joining CNA in the health care actuarial pricing group. After several years he branched out to claim analytics before his career trajectory brought him full circle back to health care but as part of the underwriting, rather than actuarial, function.

What is the biggest challenge of working through the pandemic?
The biggest challenge is missing all of the faces. I miss having conversations in person rather than on the phone. Before the coronavirus, I liked to exercise at my

local gym, go to see movies, concerts. It's on hold now — exercise routines are in my house now on YouTube.

What should the industry do to attract more young people to work in it?

First, focus on the fact that the insurance industry is really ripe for innovation and disruption. Young people are attracted to industries where they can really leave their footprint and help drive change. If we can highlight that the insurance industry is an area where they can really make an impact and a difference, that will bring them in.

What do you know now that you wish you knew at 18?

Never lose your student mindset. Always remain enthusiastic about learning. It is really the key to success in any career.

What is something about you that would surprise people?

I am the definition of a city person. I love living in a city — the food, the entertainment, going to concerts, the cultural things, art. People would be surprised to know I grew up in rural Michigan surrounded by farmland. Even in high school I worked on my uncle's farm.

What is your favorite meal?

Anything at Ēma (in Chicago). The best thing on their menu is the labneh with burnt honey — it's just delicious.



SHAWN CARMODY

36

Service team lead
Origami Risk LLC
Chicago

Shawn Carmody began his career in consulting but became interested in the product buildout aspect of insurance, leading him to a position with Origami Risk. When he's not working with the software company's product and sales teams, he can be found biking and teaching his 2- and 4-year-old children the University of Iowa fight song.

What is the biggest challenge of working through the pandemic?

It's the work-life sanity balance. It's easy to get pulled into things when you don't have that separation between your office and your house. And at the end of the day, I walk right out into the cra-

ziness that a 2- and 4-year-old can create and it makes it a little draining. But everyone's dealing with it, regardless of family situation.

How will your work change going forward?

We really like to bring our service team in and go through the next level of detail before we go into a statement of work. When are we going to travel again? How many people are really going to be moving back into the office? You think you can do a lot of things virtually, but sometimes it is so much easier ... to see if someone is understanding what I'm talking about based on their nonverbal.

What do you know now that you wish you knew at 18?

Understand that you are always going to be learning. Especially when it comes to soft skills.

What is something about you that would surprise people?

Despite being an engineer at heart, I was in show choir in college. It's one of those nice outlets.

What is your favorite meal?

Probably breakfast. I'm such an Iowan at heart. I'm a huge fan of breakfast for dinner. Eggs and bacon, maybe a little toast, some hash browns. Bacon makes everything better.



KELLY CASTRIOTTA 39

Head of product development,
North American cyber underwriting lead
Allianz Global Corporate & Specialty,
a unit of Allianz SE
Chicago

A native New Yorker, Kelly Castriotta began her career practicing law with the initial goal of becoming a criminal defense attorney. After several years in insurance litigation, she decided to try working on the insurer side and joined her boyfriend — now husband — in claims. Her interest in writing new products and driving resolutions led to her current position at Allianz SE. She and her husband recently bought a house in Chicago where she can be found reading Lorrie Moore’s short stories and expanding her personal library.

What is the biggest challenge of

working through the pandemic?
It’s making sure that the team is feeling happy and confident and motivated. As teammates, we’re very close to one another, and we genuinely miss each other. And I definitely miss my Dollop Coffee shop.

What should the industry do to attract more young people to work in it?
I think that we should be, as an industry, embracing technology more and also the diversity of talent and backgrounds. The industry can also abandon the assumption that you need to wait your turn. If you look at all of the new start-up tech companies, they’re promoting young talent. It’s a mentality that needs to shift, to start rewarding merit.

What advice would you give to someone starting out in the business?
Be responsive. I have noticed a lot of young people in the business not feeling confident enough to pick up the phone, but this business is always about relationships. People will always remember you being courteous and responsive even if you didn’t know the answer.

What is something about you that would surprise people?
I played rugby for Boston College.

What is your favorite meal?
The super burrito from Anna’s Taqueria in Boston.



MARCUS HENTHORN 35

Area senior vice president
Arthur J. Gallagher & Co.
Rolling Meadows, Illinois

Marcus Henthorn knew he wanted to be in insurance like his uncle, an insurance broker. After leaving his hometown of Boulder, Colorado, to attend Drake University in Des Moines, Iowa, he accepted an internship with Arthur J. Gallagher & Co., which led to a full-time job. He has planted roots in Chicago with his wife and 17-month-old daughter and has steadily worked his way up at the brokerage.

What advice would you give to someone starting out in the business?
I was fortunate enough to have a great mentor, which is something everybody in this industry should have. My big

thing was identifying someone I can talk with about short- and long-term goals ... and knowing that the feedback they were providing was not only candid and honest, it was meant to guide me long term in my career.

What should the industry do to attract more young people to work in it?
When you go out and speak to those young people, provide a look into what you do day to day. Not only can you create a lifelong career in one industry, but if you are really willing to focus, you can create anything you want.

What is the biggest challenge of working through the pandemic?
One of the biggest barriers that we’ve had to overcome is getting through the white noise. It’s been exponentially more difficult due to our work-from-home environments. I take an hour a day to really focus on what are the most important things I need to accomplish today.

What is something about you that would surprise people?
What I look like without a beard.

What is your favorite meal?
Chicken parmesan from Pasta Jay’s in Boulder, Colorado. I think I ate it four nights in a row when I was home for Christmas. I just love that place that much.



FRANNIE EPPS 33

Senior vice president, senior casualty adviser
Marsh LLC
Chicago

In a fortunate accident, Frannie Epps’ college track schedule at Illinois State University led her to cancel some planned interviews for investment banking internships. She pivoted to insurance, interning with Marsh LLC and accepting a full-time position in the brokerage’s training program after graduation. She has been with Marsh ever since.

What is the biggest challenge of working through the pandemic?
Aside from not being able to go to Starbucks every day and see my colleagues? COVID is a rapidly evolving topic that presents a wide range of issues. Staying on top of things ... and bringing that knowl-

edge to our clients in a succinct and useful manner has been the No. 1 challenge.

What should the industry do to attract more young people to work in it?
I think we need to do a better job of educating younger people on the vast opportunities that exist within the industry. When I recruit on campus, people broadly associate the insurance industry with being a personal insurance agent. That’s definitely a career path, but there is so much more beyond that.

What do you know now that you wish you knew at 18?
I wish I would have known how great it was to have very little responsibility. I didn’t realize how fortunate I was to have very little to worry about then.

What is something about you that would surprise people?
I really enjoy doing home-improvement projects. I recently remodeled my kitchen with the assistance of my parents, and I’m currently building patio furniture and planter boxes for my rooftop. I’m very good at painting. If you ever need some painting assistance, I’m your person to call, and I don’t charge.

What is your favorite meal?
I would probably say tacos and margaritas, but if you asked my friends, they would say Cheez-Its and Bud Light Lime.



JENNIFER KASTENHOLTZ 34

Vice president, strategy
and operational performance
Gallagher Bassett Services Inc.
Rolling Meadows, Illinois

After completing graduate school at the University of Chicago, Jennifer Kastenholtz took a consulting job before joining Gallagher Bassett Services, where she impressed senior leadership with her ability to solve problems, conquer operational challenges and set strategy. She and her husband call Chicago home and are avid volunteers who deliver food to homebound seniors.

What is the biggest challenge of working through the pandemic?
We’re asking a lot of people right now: to work, caregive, maintain their own well-being. The opportunity I hope

that comes out of this is to rethink workplace flexibility. If somebody needs two hours to support their child with their homework that day, we just need to adjust as a team.

What advice would you give to someone starting out in the business.
For any task that you’re given, no matter how big or small, master it. That means knowing every detail, anticipating questions and ... becoming the go-to person for that task. In my experience, this is what gets you into the room where it happens.

What do you know now that you wish you knew at 18?
I would say to my 18-year-old self that everything is going to work out just fine.

What is something about you that would surprise people?
There’s a viewpoint that those who work in insurance aren’t really risk takers. People would find it surprising to know some of the more adventurous things I’ve done: waterfall rappelling in El Salvador, skydiving in Fiji, camping outside of Petra in Jordan.

All-time favorite movie?
If I had to pick just one, I would pick the movie “WALL-E.” I grew up as a Pixar-generation kid. It’s visually stunning ... cute, nostalgic, moving, has purpose, and it does all of that with hardly any dialogue.



SAM NOLLEY 37

Senior vice president and chief pricing actuary
Arch Insurance Group,
a unit of Arch Capital Group Ltd.
St. Paul, Minnesota

Following a tip from a lecturer who taught him at the University of Wisconsin-Madison, Sam Nolley took actuarial science classes to combine his math skills and entrepreneurial interest and find internships. After interning at Ernst & Young in Boston, he joined the firm as a consultant and subsequently worked in predictive modeling at Sentry Insurance. In 2014, he joined Arch back home in St. Paul, Minnesota, where he works on casualty pricing.

What is the biggest challenge of working through the pandemic?
It's hard maintaining the emotional energy

for work while also playing substitute teacher for two day care-aged children, but we're lucky. My wife and I work in flexible industries, and Arch has a great culture where we're all adjusting and in this together.

How will your work change going forward?
As an actuary, I usually want more data. But increasing data and technology adds complexity, inefficiency and new risks. Simplicity is often really important, and I think that those who figure out how to isolate which data really matters will have an edge.

What advice would you give to someone starting out in the business?
For success, ask lots of questions, learn the whole business, not just your role, and share your ideas. You'll learn faster, and people with new perspectives have a chance to make a big difference. For your happiness, figure out which parts of the job give you the most satisfaction and spend your time at work with good people with positive attitudes; negativity is contagious.

What is something about you that would surprise people?
I was really into Brazilian jiu-jitsu and judo and did two cage fights once upon a time.

All-time favorite movie?
"The Big Lebowski."



JASON SULLIVAN 39

Partner
Rathbone Group LLC
Cleveland

Jason Sullivan grew up throughout the Midwest and wanted to return to the Great Lakes region after graduating from the University of Iowa's law school in 2006. He took a job with a law firm specializing in subrogation work mainly due to its location but has since specialized in the field and was one of six partners who founded Rathbone Group LLC in 2014.

What advice would you give to someone starting out in the business?
Approach each task, no matter how large or small it is, with the same enthusiasm and hunger for knowledge and new information. Some things don't seem that meaningful, but you find out they

are a larger piece of the bigger picture and having that firm understanding goes a long way in the future.

What should the industry do to attract more young people to work in it?
One of the things I'm impressed with in the insurance industry is that there are a lot of people with 20, 30, even 40 years of experience. Finding ways to maintain that longevity of knowledge but then bring in new individuals with less experience and keeping them engaged is a challenge, but it can be done. A lot of our clients are taking steps with alternative work options and also understanding that younger generations are looking for something different from the work environment. Finding ways for building engagement and making the workplace part of the bigger community that individuals are part of overall is important in building that engagement.

What is something about you that would surprise people?
I have done an Ironman, which is a 2.4-mile swim, a 112-mile bike ride and a 26.2-mile run.

All-time favorite movie?
"Inception." I really enjoyed the layering of the story.

What is your favorite meal?
I love pizza with everything on it – onions, peppers, mushrooms, all of it.



BRAD SWIFT 37

Manager of casualty and underwriting
Burns & Wilcox Ltd.,
a unit of H.W. Kaufman
Financial Group Inc.
Chicago

After growing up in Des Moines, Iowa, and attending the University of Kansas, Brad Swift embarked on a sales career working for the Los Angeles Clippers before moving to another sales position in Chicago. After a few years, he was drawn into the insurance sector, in which his father worked on the agency side for 38 years, and specialized in wholesale casualty. He joined Burns & Wilcox in 2017.

What advice would you give to someone starting out in the business?
Keep asking questions. Our market-

place changes weekly, coverages change and carriers pull in and out of certain markets, so you always have to have your finger on the pulse. The more you know, the better you can be at your job.

What should the industry do to attract more young people to work in it?
I don't think I've spoken to anyone on the commercial side that doesn't enjoy what they do. We see different things every day, so it keeps the market interesting. You just have to do whatever you can on the marketing side, whether it's on the charity side or visiting colleges to recruit young talent and trying to better explain to them what we do versus what they think we might do.

What is something about you that would surprise people?
One of my dad's co-workers grew up in the same small town in Iowa where the actor Tom Arnold is from, so when I was at college, I randomly reached out to (Mr. Arnold) and said, "Could I come out to L.A. and be your personal assistant for the summer?" and he said, "Yes." I traveled all over with him doing movie shoots.

All-time favorite movie?
"The Godfather"

What is your favorite meal?
Pizza, of course.



CHELSEA WIEDEMANN 30

Account executive officer
Travelers Cos.
Chicago

Growing up in a suburb of Hartford, Connecticut, the traditional insurance capital of the United States, Chelsea Wiedemann did not originally intend to enter the industry. But after taking a marketing internship at Travelers while at Bryant University her eyes were opened to the various career paths insurance offers. After working in different roles, she moved to the core discipline of underwriting and in March she joined the insurer's excess casualty team.

What is the biggest challenge of working through the pandemic?
Having just joined a new team, my biggest challenge has been building relation-

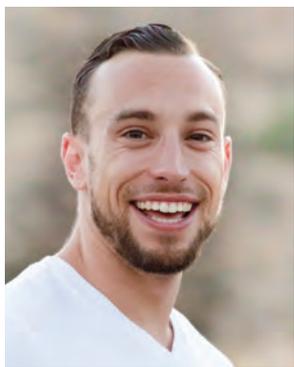
ships with agents, brokers and colleagues through email and phone calls, where normally I do that in person.

What should the industry do to attract more young people to work in it?
Talk about how many opportunities there are within the industry. When I first started out I thought of insurance as underwriting and sales, but it's so much more than that — there's finance, IT, engineering. If people were more educated about the different career paths it would help pull more people in. I grew up surrounded by the industry, a third-generation underwriter, and I still didn't know how many career paths were available.

What is something about you that would surprise people?
I volunteer with human trafficking survivors. For the past two years, I've been volunteering on a hotline and at a drop-in center where survivors can come for a safe space.

What do you know now that you wish you knew at 18?
That I didn't have to have everything figured out. I had a plan, but unexpected opportunities cross your path and priorities change, so I wish that I knew it was OK not to have everything mapped out.

What is your favorite meal?
Chicken picatta, with sautéed spinach and linguine. It always hits the spot.



JARED BRADSHAW

34

Co-founder and CEO
MaxPro Insurance Solutions
Stevenson Ranch, California

Jared Bradshaw, who has been an entrepreneur since he was a child, opened two gyms starting when he was 18, and won a Golden Gloves boxing title for California in 2010 before realizing he loved business, and became an insurance agent. He opened MaxPro with a partner in 2017.

What is the biggest challenge of working through the pandemic?

We figured out that 99.9% of our business would be essential workforce, so we're constantly trying to help with risk management and HR and every aspect that our clients need help with. I wouldn't say there was any one thing that was most difficult. It was just a matter of

planning and gathering the resources that we needed in order to service our clients.

What advice would you give to someone starting out in the business?

We see a lot of people in the industry work for larger firms, and they get kind of stuck in those positions. If you can, take some time to learn about the industry and do your research. Find out what you're good at and see what's fun.

How will your work change going forward?

We're going to be doing, obviously, fewer in-person meetings and a lot more conference calls. We actually typically like in-person meetings, and really getting to know our clients, so this will be a little bit of a change for us.

What should the industry do to attract more young people to work in it?

The industry needs to focus on almost pushing for insurance to be taught in high school, probably, to attract younger talent. A lot of us didn't think about insurance growing up, thinking that could be a great business.

What is something about you that would surprise people?

I'm always working out or doing something active. People always realize that when they come to our office and see a soccer ball or some weights on the ground.



JOHN DENEEN

32

Underwriting manager
Burns & Wilcox Ltd.,
a unit of H.W. Kaufman Financial Group Inc.
Centennial, Colorado

John Deneen studied economics and international affairs in college, but found insurance was a much more approachable industry and that excess and surplus lines in particular was an interesting sector. He was promoted to underwriter at Burns & Wilcox around the time cannabis was legalized in Colorado and has developed expertise in that niche.

What is the biggest challenge of working through the pandemic?

Just being disconnected from my teammates, because insurance is such a relationship-driven industry, and visiting with both our colleagues within the com-

pany as well as our carriers and agency partners is a really critical piece of what we do. It's been a learning process to adapt to doing video calls and webinars and local phone calls.

What advice would you give to someone starting out in the business?

There's plenty of opportunity in the insurance space to really develop your own niche and really create the role that you want to build for yourself, and you shouldn't be limited by what opportunities you see in front of you.

How will your work change going forward?

We would certainly like to continue to see more carriers stepping into the cannabis space, which would be beneficial to the end customers because there would be more competition and more options for customers to choose from, and that would result in better coverage and pricing for the customers.

What is something about you that would surprise people?

I lived in Panama for six months before starting my insurance career. I was volunteering and working at a local business.

What do you know now that you wish you knew at 18?

In addition to choosing a career that interests you, pursue a vocation that allows you to live the type of lifestyle that you want.



KAREN HSI

30

Program manager-captive insurance programs
University of California, Office of the President
Oakland, California

Karen Hsi was majoring in psychology and education as an undergrad when she was asked to serve as an intern with the University of California Office of the President in risk services. Upon graduation, she was offered a position as a liability program analyst at the university, which led to her current position.

What advice would you give to someone starting out in the business?

I was particularly fortunate to have really great mentors and accessibility to some very smart and prominent professionals in the industry. Without those face-to-face networking opportunities, or chances to build those relationships, it would

have been tough, because I asked a lot of questions and they were always very eager to provide me with answers.

What should the industry do to attract more young people to work in it?

Contrary to many people's belief that insurance tends to be dry, there's a lot of innovation coming out of the industry, and going forward I'm hoping that that will be emphasized more and highlighted for the next generation of professionals, that if someone's ever interested in a fast-paced, changing and creative relationship-building industry that they would not discount looking into the insurance industry.

What is something about you that would surprise people?

I danced competitively growing up and was a cheerleader in college, and at one point had thought about going into the arts, like performing arts, or being a dancer full time.

What do you know now that you wish you knew at 18?

A lot of times when you see a failure at 18, you think that "Oh, there's no hope," or, "I didn't reach that goal," but I think there's a reason everything happens, and it's interesting to see what doors open in the future.

All-time favorite movie?

"Forrest Gump."



ADAM JONES

26

Account manager-lead, real estate
Alliant Insurance Services Inc.
Greenwood Village, Colorado

Adam Jones went straight to work after college as a producer in personal lines for Farmers Insurance Group. He then moved to Lockton Cos. LLC as an account administrator, then account manager. After about two years at Lockton, he joined Alliant Insurance Services, working in the real estate department on large accounts.

What is the biggest challenge of working through the pandemic?

The adjustment to not being in the office, just the collaboration with everyone in the office. I can't hop over to somebody's office and ask them a couple of questions. It hasn't been that difficult.

It's just different.

What advice would you give to someone starting out in the business?

Try to handle things yourself first, and if you have questions, don't be afraid to ask them.

How will your work change going forward?

I'm curious to see how companies will react to this, if they'll have us work from home more often or not travel as much. It's good that people can do their jobs from home, but I like being in the office and asking co-workers some quick questions and the camaraderie with them.

What should the industry do to attract more young people to work in it?

When I came out of college, I didn't know a whole lot about the insurance industry. People in the industry can show younger people how great a career it is, and how even though these are very tough times, most are able to pull through it, and all companies are going to need insurance.

What do you know now that you wish you knew at 18?

I would have tried to get more experience on the carrier side. Since I've worked on the brokerage side, I think that having experience in both would be very beneficial.



KEN LORBER

31

Director
Aon PLC
San Francisco

Ken Lorber grew up in the insurance industry. His father is an agent with Allstate, and he began working with him during summers while in high school and college. He joined Aon in 2011 in San Francisco and has been a member of the reinsurance team for six years. He is a subject matter expert across several areas and a mentor to his colleagues.

What is the biggest challenge of working in the pandemic?

The client interaction has changed. Before, you would travel and see clients and reinsurers in person; now conversations are by phone and conferencing. The other big challenge from an industry

standpoint is the unknown — big changes in the coverage side of the industry. It's a challenge, because right now we don't know how large this loss can be.

What advice would you give to someone starting out in the business?

It is a golden industry and one of the best-kept secrets. It's really for anybody; whether you are a numbers person, technical or enjoy marketing, there are a lot of job opportunities. Here in San Francisco, people may be looking at the tech industry or a startup. Insurance doesn't have that reputation, but it's a great industry and something you can build a career on with endless opportunities for the future.

What should the industry do to attract more young people to work in it?

The industry has been doing a good job at involving universities with more risk management courses. As it continues to evolve in terms of technology and customer satisfaction, more people will be attracted.

What is something about you that would surprise people?

I'm a big country music fan, not what people would expect from San Francisco. My favorite is Garth Brooks.

All-time favorite movie?

"Top Gun." I like the soundtrack and the huge thrill side of it.



JAESA McCULLIGAN

30

Pooling administration manager
Sedgwick Claims Management
Services Inc.
Sacramento, California

Like many, Jaesa McCulligan entered the insurance industry by accident. After graduating from California State University Sacramento in 2010, she began a job search, and was hired as an administrative assistant at Bickmore in Sacramento. The company was acquired by York Risk Services Group in 2014 and by Sedgwick in 2019. She now serves as executive director for two public-sector self-insurance pools, where she enjoys building relationships and serving as a resource for clients.

How will your work change going forward?

Working in the pandemic has required

creative thinking. For coverage and solutions, this sets the stage for us to evaluate over the next few years what other things could occur that we need to be thinking of proactively.

What advice would you give to someone starting out in the business?

To be open to learning about everything. One reason I've had success is that I've been open to special projects and assisting others. So, say yes and be open to working on things outside your comfort zone.

What should the industry do to attract more young people to work in it?

I am also vice president of a group called the Emerging Insurance Professionals Sacramento chapter. Many see the industry as old school, but we are trying to bring people together and to show them that insurance is not what people often think it is. We attempt to highlight the fun areas.

What do you know now that you wish you had known at 18?

I wish I had known about all of the opportunity available in this industry and a bigger picture of what this job could be.

All-time favorite movie?

"Legally Blonde." I'm a sucker for Reese Witherspoon. At one time I wanted to be a lawyer, but quickly learned that being one is not like in "Legally Blonde."



DJ McKENNA

35

Division manager, lawyers professional liability
Mitchell & Mitchell Insurance Agency Inc., a
member of The Liberty Company Network
Novato, California

DJ McKenna's father started the lawyers professional liability program at Mitchell & Mitchell about 25 years ago, so he grew up hearing about the market around the kitchen table. He also spent time in the office on weekends, doing his homework while his father worked. He joined the firm about six years ago.

What is the biggest challenge of working through the pandemic?

It's probably right now the struggle of seeing what some of your clients go through. There's a lot of uncertainty in the market, and right now I work primarily with law firms, and a number of

firms are closed and they don't know when they're going back into the office.

What advice would you give to someone starting out in the business?

Definitely listen and learn from those that have made it a career, those individuals who have that knowledge that you can't gain from a book or any courses you take. And listen to your clients and build relationships with your clients and understand their business and the exposures that they face.

What should the industry do to attract more young people to work in it?

For me, it's knowing all the different careers that are in the insurance industry, whether that's working at a wholesaler or a brokerage, being in claims. There are countless opportunities in the industry that a lot of people aren't aware of.

What is something about you that would surprise people?

I was a certified EMT/firefighter before getting into insurance.

What do you know now that you wish you knew at 18?

I don't think insurance is ever looked at as necessarily fun, but there's a lot of great events, where you meet people and build relationships. I wish I knew more about the opportunities in insurance and relationships that were built.



ALEX PAZOOKI

35

Business development, Northwest
Coalition Inc.
San Francisco

Alex Pazooki began his career at Smith Barney in San Diego, working in the financial sector with an international team. He then worked for a little over a decade in a variety of roles at Travelers Cos. Inc., including in sales and underwriting, before assuming his current role in business development at Coalition Inc.

What is the biggest challenge of working through the pandemic?

The biggest challenge would be helping insurance brokers provide value to their clients in a time when their clients are being affected by this pandemic, both in their businesses and their personal lives.

What advice would you give to someone starting out in the business?

When entering the insurance industry, really focusing on learning insurance coverage and seeking mentors. The ability to stay open to new ideas and data will allow you to expand your career into new avenues of insurance that we may not even be aware of today. Insurance is evolving, with technology playing a big part in understanding risk.

How will your work change going forward?

I think what would change going forward is continuing to educate our broker partners on data science, helping brokers not only to understand more data related to exposures, but to also use that data to help their insureds understand better controls. With a constantly evolving marketplace, I will always be up to the challenge in adapting and changing to meet the needs of my broker partners.

What do you know now that you wish you knew at 18?

The emphasis on data science and the effect it will have on risk selection. Life's a game of inches, requiring tackling every challenge as it presents itself.

All-time favorite movie?

That's easy — "Gladiator." I just love that movie. I've watched it like a million times. It's the greatest story of redemption.



TREVOR PUETZ

Vice president, casualty
R-T Specialty LLC,
a unit of Ryan Specialty
Group LLC
Los Angeles

32

As a law school student in 2013-14, Trevor Puetz decided that a career in litigation wasn't for him. An opportunity to work for a reinsurance broker in London revealed new possibilities. He finished law school, became a licensed attorney and in 2017 joined R-T Specialty in Los Angeles as a broker. His law background has helped him become a go-to expert in construction, environmental and real estate for his clients.

What is the biggest challenge of working through the pandemic?
There is something about being in the

office and the collaboration and motivation that I miss. A lot is happening in the industry right now, too. People are canceling policies and asking for revenue changes midterm because they can't pay premiums.

What advice would you give to someone starting out in the business?
Find a mentor and do as much as you can to learn early on. In terms of job satisfaction, I don't know any friends who are more satisfied than I am. There is a lot of creativity and thought that goes into everything we do.

What should the industry do to attract more young people to work in it?
The expansion of risk management programs in colleges is great because it introduces students to the industry. The University of Southern California has a risk management minor and a program with 40 mentors and mentees. We help them with resumes, set up interviews and give them an idea of what it's like to work in the industry.

What is something about you that would surprise people?
I probably know every word to every Adele song. I'm a big sucker for Adele.

All-time favorite movie?
I love "Super Troopers." I watch it a lot and I never stop laughing.



JAMES ROZZI

Executive vice president
Risk Placement Services Inc.
San Francisco

36

As an econ-finance student at Bentley University, James Rozzi had considered a Wall Street career. That changed in 2006, however, when he was recruited on campus by American International Group Inc. A month later he started working as an underwriter at Lexington Insurance Co. in Boston and later transferred to San Francisco. In 2010 he joined Risk Placement Services as a wholesale broker.

What is the biggest challenge of working through the pandemic?
I love being around people and the pandemic doesn't give me the ability to do that. I'm thankful that it's 2020 and the tech world has given us the ability

to interact. Second is the fear factor, as everybody is nervous about their own business and livelihood, or their health.

What should the industry do to attract more young people to work in it?
Education on how dynamic and niche-driven it can become. You can be a marine expert in Houston and focus on oil and gas risks, or a California quake expert and talk about complex parametric coverages.

What do you know now that you wish you knew at 18?
I wish I knew more about the insurance industry. I didn't find out about it until my junior year in college because my roommate's father owned a personal lines agency in Massachusetts. I wish my high school had more programs to talk about different insurance jobs you could get into, like when people used to learn trades such as woodworking, metal and auto.

What is something about you that would surprise people?
I like to cook. I like to make wood-fired pizza and my own pasta sauce and I don't think people would expect me to be so well-versed in the kitchen.

What is your favorite meal?
Easy, my own pasta Bolognese sauce with rigatoni.

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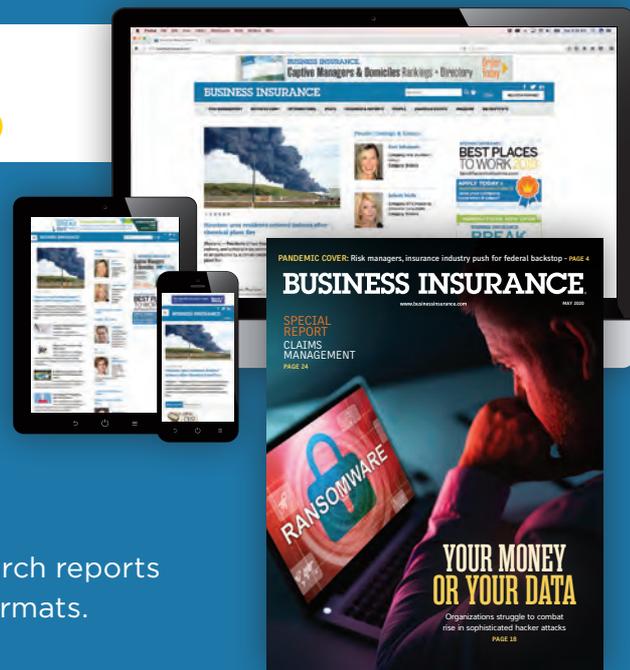
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PROPERTY INSURANCE



Retail closures change property cover needs

BY JUDY GREENWALD

jgreenwald@businessinsurance.com

INSIDE

HURRICANE PREP RAMPS UP

Supply of repair resources, evacuation procedures among concerns amid COVID-19. **PAGE 30**

TECHNOLOGY REACHES LIMITS

Remote loss assessments only go so far when complex losses are reported. **PAGE 30**

PROPERTY INSURANCE SURVEY

Risk managers report rate increases in *Business Insurance's* proprietary annual survey. **PAGE 31**

Insurers that provide coverage for the growing number of retailers seeking bankruptcy protection are focusing more clearly on risks including vandalism and flooding in insuring the companies' closed stores.

The higher rates this means could at least partly offset the advantage they may have because the lower stock of goods they hold in their stores means less property exposure, some experts say.

Recent bankruptcies include Plano, Texas-based J.C. Penney Co. Inc., New York-based J. Crew Group Inc.; and Dallas-based Neiman Marcus Group Inc. More are expected in the months ahead, experts say, as retailers, many of whom were already struggling with e-commerce competition, cope with COVID-19 shutdowns (see sidebar).

Some retailers, including J. Crew and Neiman Marcus, have filed for bank-

ruptcy under Chapter 11, which means they intend to restructure and continue operations, rather than liquidating under Chapter 7 of the bankruptcy code.

Failure to maintain appropriate insurance under the bankruptcy code can result in a mandatory conversion or dismissal of a Chapter 11 case, while U.S. trustee operating guidelines "have similar provisions that are generally understood to require existing insurance policies be



“It’s even more important when you’re in reorganization or Chapter 11 to have insurance. With impaired liquidity and an impaired balance sheet it is more important to a company in that position than it would be otherwise.”

Gary Marchitello,
Willis Towers Watson PLC

maintained in that context,” said Louise M. McCabe, a partner with Troutman Sanders LLP in San Diego, who represents insurers.

Gary Marchitello, chairperson of Willis Towers Watson PLC’s North American property team, said, “Assuming the business will be run in a prudent way, protection measures will be maintained, and they’ll be motivated to protect their assets.”

“It’s even more important when you’re in reorganization or Chapter 11 to have insurance,” he said. “With impaired liquidity and an impaired balance sheet it is more important to a company in that position than it would be otherwise.”

Sarah McGowan, a senior vice president in Marsh LLC’s U.S. property

practice in New York, said, “In general, they’re still responsible for maintaining the insurance on the property. What you have seen in some cases is scrutiny on the insurance company’s part of how they are managing the facility,” such as heating it to a certain level.

And insurers are still willing to write the business, Ms. McGowan said, noting she had just renewed the program of a retailer that is in bankruptcy.

Al Tobin, New York-based executive vice president at Alliant Insurance Services Inc., said that while retailers “still need to insure the store generally,” even in bankruptcy, inventory may be removed, which means exposure base values will go down.

The view from the insurer’s perspective is “there’s going to be less risk, because of the reductions in value, but there could be more risk from a security perspective on a vacant property,” he said.

Underwriters are concerned about vandalism, said Alexandra Glickman, senior managing director, global practice leader—real estate & hospitality at Arthur J. Gallagher & Co. in Studio City, California. “If you have a vacancy, that may financially distress the asset, and therefore there may not be capital available for repair and maintenance,” she said.

“They may look to cut corners relative to security. You see increases in terms of vagrancy and illegal dumping. There’s just

less sense of ongoing maintenance, and vandalism is a much bigger exposure.”

When underwriters talk with clients with such properties, Ms. Glickman said, “they want to know first and foremost what type of security is in place and what is being done to make sure that if there is a vacancy, how can they be certain there won’t be water damage or other related claims that tend to occur when there are vacant conditions.”

Mr. Tobin said that depending on where a property is located, it could be more susceptible to vandalism. A closed store in a mall is “probably not that susceptible to vandalism because other stores will be open at the mall, and you will have foot traffic and security,” he said.

In general, prices are higher to insure vacant properties, Mr. Tobin said. “Historically, you would go to the excess and surplus lines market for that coverage,” he said.

In some cases, bankrupt retailers may be able to obtain return premiums, Mr. Tobin said. It is a case-by-case situation, he said, depending on issues such as the number of months left on the program.

Experts say the recent retail bankruptcies have not had a material impact on the overall property market.

“The retail industry is still a drop in the bucket in terms of premium volume in the industry,” Mr. Marchitello said.



RETAILERS THAT HAVE RECENTLY FILED FOR BANKRUPTCY

- Aldo Group, shoe retailer
- Art Van Furniture
- J.C. Penney Co. Inc.
- J. Crew Group Inc.
- John Varvatos Enterprises Inc., men’s fashion
- Modell’s Sporting Goods
- Neiman Marcus Group Inc.
- Pier 1 Imports
- Schurman Retail Group, which operates Papyrus, other retailers
- True Religion, fashion
- Stage Stores Inc., which owns Goody’s, Palais Royal, Bealls, Peebles and Gordmans department stores

Sources: News reports

Coronavirus spread takes commercial toll as bankruptcies rise

The number of retailers filing for bankruptcy is increasing, and the sector’s outlook remains unclear, experts say.

In a report issued in last month, rating agency Standard & Poor’s Corp. said New York-based J. Crew Group Inc.’s bankruptcy “should not come as a surprise. ... Which retailers will survive the coronavirus pandemic in some shape

or form is the big question.”

Sarah McGowan, a senior vice president in Marsh LLC’s U.S. property practice in New York, said, “Some retailers are struggling already, while some are doing really well. In a few months, we might see how it’s going to shape up, whether we open the economy or not.”

Retailers are “clearly hurting under the current circumstances,” said Gary

Marchitello, chairperson of Willis Towers Watson’s North American property team.

Mr. Marchitello said, “It would appear there’s going to be a fair amount of bankruptcies.” He added he hopes more of these will be Chapter 11 reorganizations rather than liquidations.

“The rest depends on when the economy opens up again,” he said.

In the post-COVID-19 environment,

“human interaction is going to have to be much more limited,” said Helen D. Reavis, a partner with Reavis Page Jump LLP in New York, whose practice includes corporate operations and brand management.

Retailers that “rethink the theory behind the customer experience will have an edge in terms of property insurance,” she said.

Judy Greenwald

Prepping for hurricane season in a pandemic

BY MATTHEW LERNER

mlerner@businessinsurance.com

COVID-19 is complicating catastrophe preparation efforts as risk managers and claims professionals prepare for hurricane season, which began June 1, and the summer wildfire season, with traditional prevention and mitigation activities being adapted, rerouted or postponed during the pandemic.

Claims administration has also been affected as adjusters and others attempt, and in most cases continue, to do their jobs within the confines of travel restrictions and other official mandates, with technology helping solve many issues.

From outfitting field staff with personal protection equipment to establishing COVID-19 screenings for claims, the pandemic has brought changes to this year's catastrophe preparation script.

"We took an aggressive approach and sent out personal protection equipment to all our adjusters regardless of state or jurisdictional requirements, so everybody's got PPE," said Scott Richardson, Chicago-based executive vice president, operations, chief strategic & development officer, at Sedgwick Claims Management Services Inc.

The pandemic has complicated loss control activities, said David Gluckman, senior risk control consultant with Willis Towers Watson PLC in Short Hills, New Jersey.

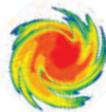
"There are times when you physically need to be on-site at a particular location," he said. "Clients and insurers, however, have gotten pretty creative with things being done virtually."

Technology in the form of online meetings and remote applications has helped solve some issues, sources said.

Crawford & Co. established a COVID-19 screening checklist for all incoming claims and found that some policyholders preferred a remote inspection when given the choice, said Kenneth Tolson, U.S. president of claims solutions at the



ATLANTIC HURRICANE SEASON FORECAST FOR 2020



	AVERAGE	2020
Named storms	12	13-19
Could become hurricane	6	6-10
Major hurricanes	3	3-6

Source: NOAA's Climate Prediction Center

Atlanta-based claims management firm.

One-third of all policyholders participating in the pre-claim screening elected a remote adjustment of their claim, he said. Among the products being used for remote adjustments are phone-based measurement apps.

"What we're seeing now in the market is an acceleration of (technology) adoption," Mr. Tolson said, with the outbreak helping drive that adoption. In addition, "you're seeing carriers move to not doing interior inspections because the consumer does not want people in the house."

"This event has really helped us push the

needle in terms of buy-in for people utilizing technology," said Mark R. Evans, Hartford, Connecticut-based head of energy, property, construction claims for the Americas at Axa XL, a unit of Axa SA.

About half the people in the claims process, Mr. Evans said, were comfortable "putting an app on their phone and helping us look at losses remotely," but there was still some pushback and wariness from others regarding what participation might entail.

One risk management concern during past hurricanes and other catastrophes has been the supply of repair resources — everything from nails to adjusters — and "demand surge" when prices become inflated due to material shortages.

But, Mr. Evans said, due to extended periods of inactivity in the construction and related sectors for the past 30 to 45 days, inventories will likely not be a problem going forward as they have not been depleted at the typical pace.

Scott Fouts, vice president in the risk services division for Hub International Ltd. in Charlotte, North Carolina, noted that "wildfire season is fast approaching, also."

Questions remain over how an evacuation would be carried out within the con-

fines of social distancing, he said. "The question becomes: How do you evacuate people safely?" he said.

Mr. Fouts also recommended checking with vendors of critical services to be certain that they will be able to respond as expected in an event or to what extent they may have been affected by the pandemic.

The COVID-19 outbreak has also led to the postponement of some ongoing risk management procedures, said Twane Duckworth, chief of risk management for the city of Jacksonville, Florida, and a Risk & Insurance Management Society Inc. board director.

The city has more than 1,400 municipal structures insured, a "large schedule" that includes some unique properties, he said.

The risk management department's program to continually update valuations with physical inspections has been paused during the outbreak, Mr. Duckworth said, with some facilities closed and many employees working from home and unavailable for site visits amid travel restrictions.

Underwriters, he said, were understanding and said loss engineering could resume as the situation normalizes.

Another issue the city had to address is Florida's requirement for meetings of public officials, such as the city council, to allow public access.

"One of the things we were challenged with was trying to figure out how to continue our operations in the eyes of the public," Mr. Duckworth said. This was ultimately solved where necessary by using technology such as online meetings.

In addition to preparing for catastrophes, risk managers have ongoing concerns that have been affected by the pandemic, Mr. Duckworth said.

"There are still other concerns we need to pay attention to as risk managers," he said. "There are other things that have to happen. You've got property renewals, other lines renewing. There are things you need to pay attention to and not forget."

COMPLEX LOSSES STILL REQUIRE PHYSICAL INSPECTIONS DESPITE RISKS

While technological tools appear to be gaining traction in the administration of claims even in the commercial sector, large, complex losses often still require physical inspection and pose challenges that can't be solved with remote resources.

Losses requiring a physical inspection represent a minority of claims, said Kenneth Tolson, U.S. president of claims solutions at Atlanta-based Crawford & Co.

"Somebody will still have to look at severe losses, but that's only 15% to 20% of your claims," he said.

Multiple rooms affected in a structure, roof penetrations, structural issues are among the types of damage likely to require inspection, he said. "You really do need to put an expert set of boots on the ground, or a contractor certified in the space, to determine damages" in such cases, he said.

Scott Richardson, executive vice president,

operations, chief strategic & development officer in Chicago for Sedgwick Claims Management Services Inc., said it's "very difficult to scope large losses" remotely as it becomes harder to understand structural elements and how they might be damaged.

To "understand how the building actually ties together is more difficult to do over a remote application," he said.

Both executives stressed their respective firms continue to perform such

inspections, even as recently as mid-April after severe weather including hail and tornadoes caused some \$2 billion of cumulative damage across parts of the U.S. The reasons they are able to do so include: The services are deemed "essential," many claims involve external damage and don't require interior access, and decentralized workforces mean inspectors typically don't have to travel far.

Matthew Lerner

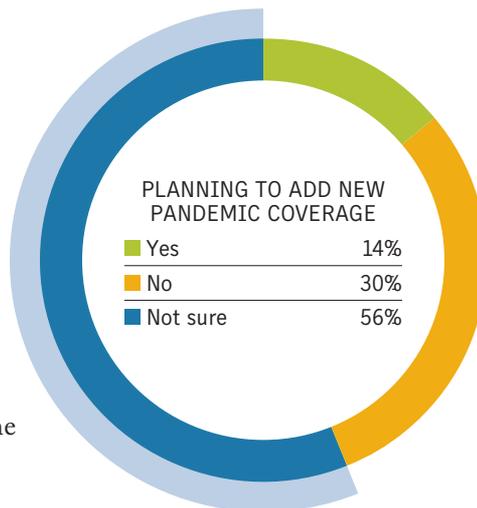
2020 Property Insurance Survey



BY ANDY TOH

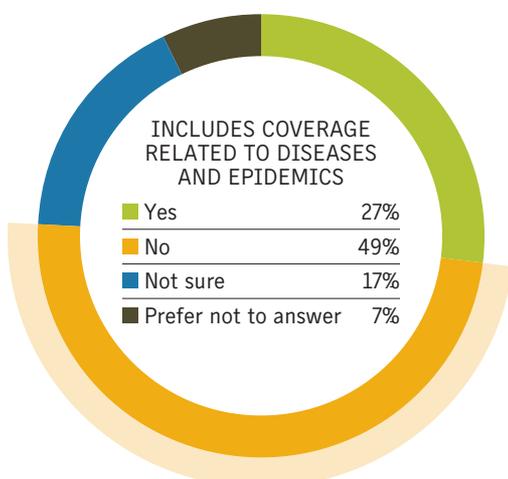
atoh@businessinsurance.com

Fifty-six percent of the risk managers and corporate insurance buyers recently surveyed by *Business Insurance* said they were not sure if they will add new coverage related to disease and epidemics within the next 12 months amid the COVID-19 pandemic. In open-ended comments, some respondents questioned whether such coverage would be available; others said that even if it were, it might be too expensive, or the sublimit might be too small.

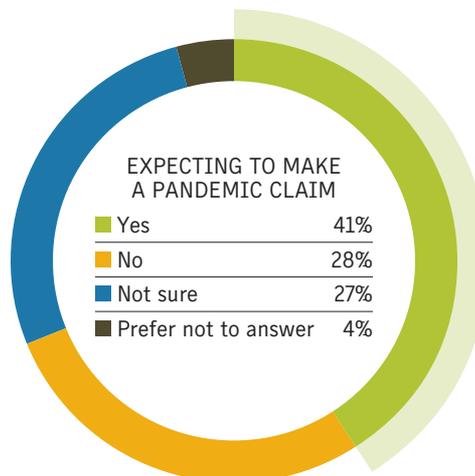


Business Insurance commissioned Signet Research Inc. for its third annual property insurance survey. Additional pandemic coverage-related questions were added to the 2020 survey, which was sent out via email in April and received 548 responses. Only responses from 284 risk managers or insurance buyers who are involved with insurance purchase decisions for their organizations were used in this report. The base used is total answering each question. Some charts may not total 100% due to rounding.

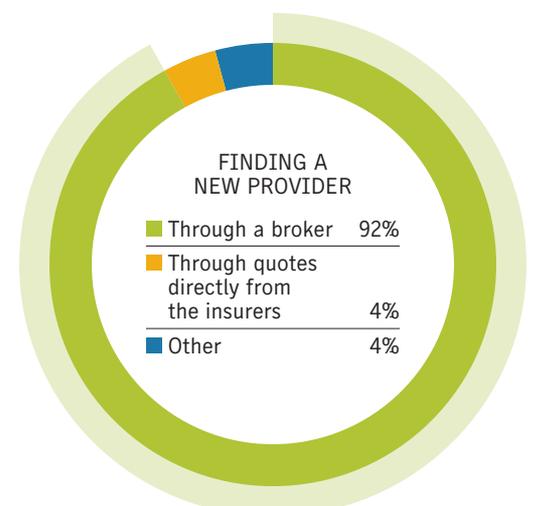
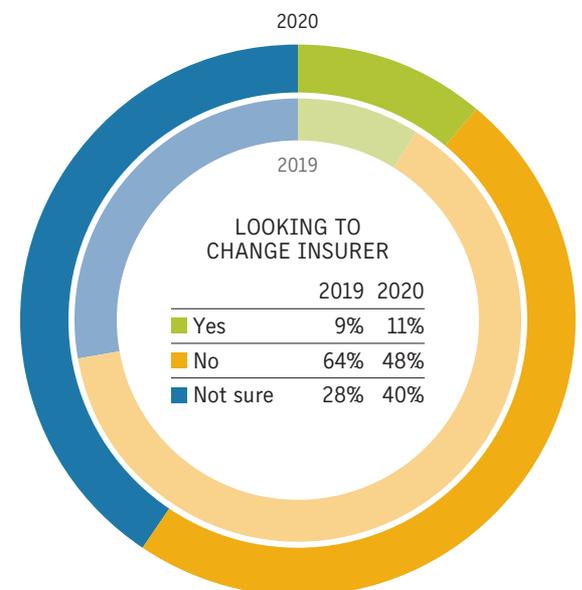
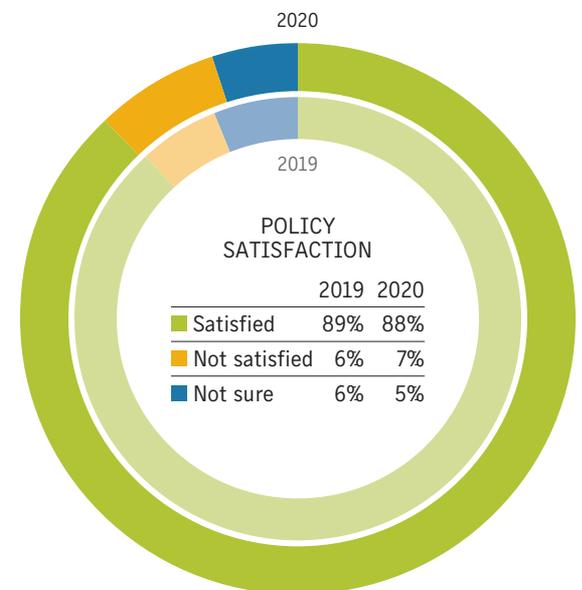
Nearly half of the respondents said their company's property insurance policies (including business interruption) do not include losses related to diseases and epidemics, while 27% said they do.



Of those whose insurance includes pandemic coverage, 41% expect to make a claim, while 28% do not. Common comments include that their loss claim can be large, but there is a low sublimit for communicable diseases.

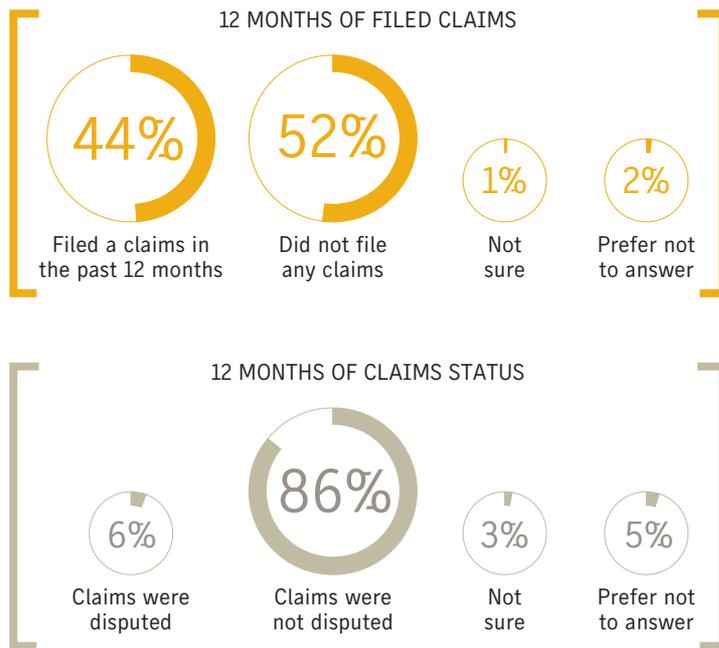


Even amid a global pandemic, 88% of risk managers said they were satisfied with their current property insurance policies, compared with 89% last year. However, only 48%, a significant drop from 64% last year, said they will not be looking to change their principal property insurance in the coming year. Forty percent, compared with 28% last year, said they were not sure if they will change insurers; 92% of those looking to change said they will use a broker to find a new provider. The last time respondents switched their property insurers was about 7.7 years ago on average.



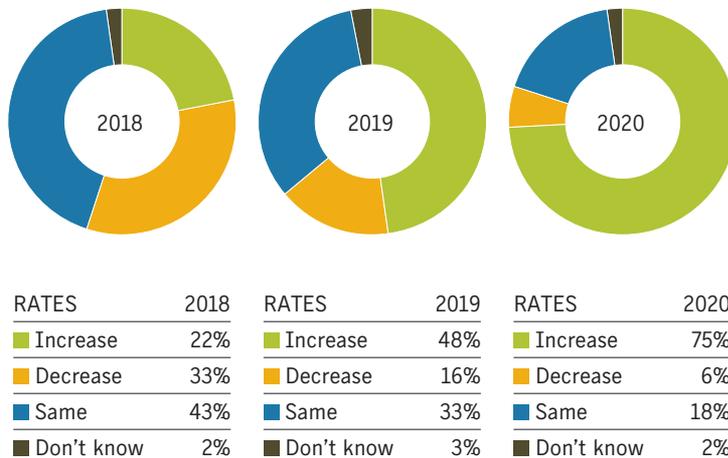
Sixty-nine percent of risk managers surveyed this year said their organizations' policy providers offered other value-added services, compared with 64% last year.

Forty-four percent of respondents said they have filed a claim. In the past 12 months, of those claims, 86% were not disputed. Six percent, compared with 2% last year, said their claims were disputed. Most disputed cases did not result in legal action.



At last renewal, three-quarters of respondents said they saw a rate increase, compared with 48% last year and 22% in 2018. The percentage of respondents that saw a rate decrease dropped to 6% from 33% two years ago.

Three-quarters of respondents said they saw a rate increase, compared with 48% last year and 22% in 2018.

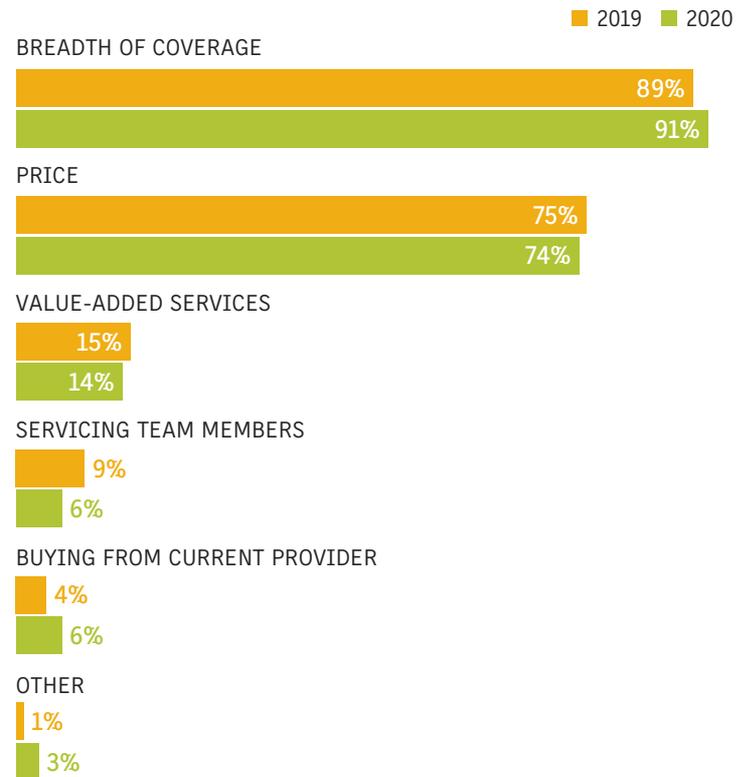


The average rates increased jumped 71% from last year and more than doubled from two years ago — 13.2% versus 7.7% in 2019 and 6.3% in 2018. The average that rates decreased was 4.5% this year, compared with 5.1% last year.

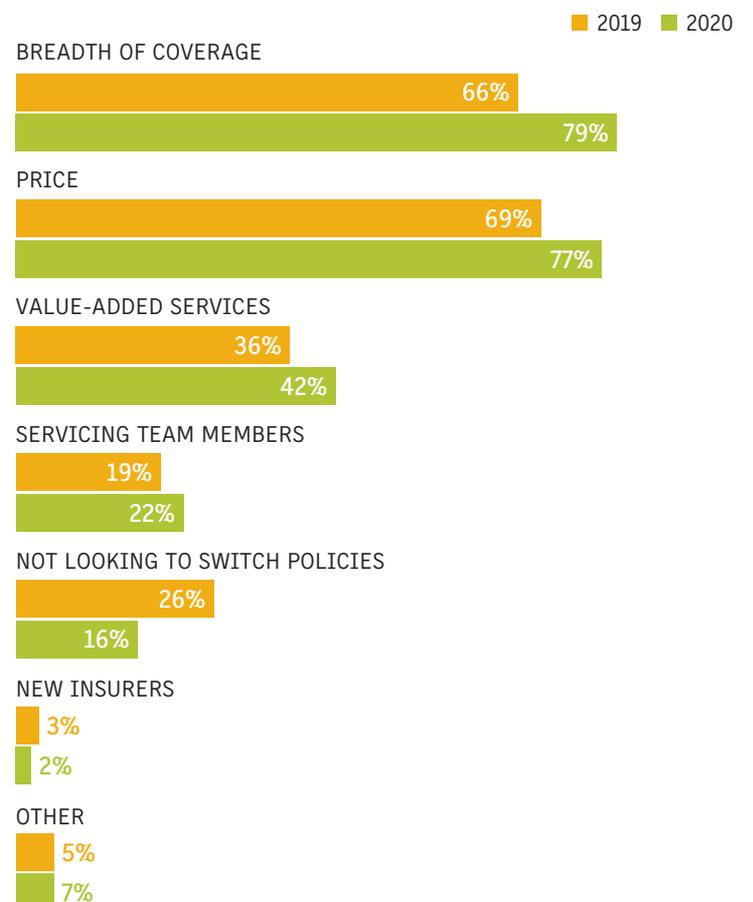
AVERAGE RATES INCREASED HAS JUMPED

	2018	2019	2020
Average rates increased	6.3%	7.7%	13.2%
Average rates decreased	(5.7%)	(5.1%)	(4.5%)

The top two factors determining which property insurers to choose were breadth of coverage and price, little changed from last year. Value-added services remained a distant third. Servicing team members and buying from current provider tied this year at 6%, compared with 9% and 4%, respectively, last year. Sixty-nine percent of risk managers surveyed this year said their organizations' policy providers offered other value-added services, compared with 64% last year; 47% said their providers do not require any online and/or on-site assessment before providing coverage.



Interestingly, breadth of coverage has overtaken price at the top of the three most important factors that will motivate risk managers to switch their policies.



For the 2020 survey, an average of 6.4 insurers participated in an organization's property insurance program, covering an average of \$2.6 billion in total asset value with an average total annual premium of \$3.8 million. This compared with 4.1 participating insurers covering \$3.1 billion in total asset value at \$2.4 million average total annual premium in 2019.

Fifty-five percent of this year's respondents used only one insurer to cover all of their properties. There was an average of 70 properties or facilities covered per property insurance program, with 75% of the covered properties located in the U.S.

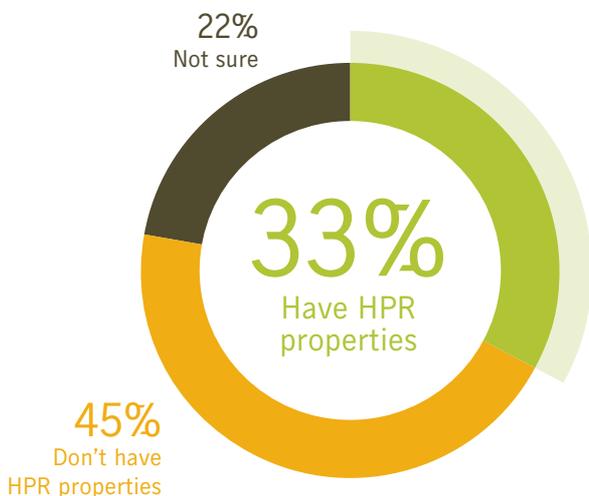
We use one insurer to cover all of our U.S. properties and we do not have non-U.S. properties.	32%
We use one insurer to cover all of our U.S. properties and non-U.S. properties.	23%
We use multiple insurers to cover all of our U.S. properties and we do not have non-U.S. properties.	18%
We use multiple insurers to cover all of our U.S. properties and multiple insurers to cover all of our non-U.S. properties.	17%
We use one insurer to cover all of our U.S. properties and a different insurer or insurers to cover our non-U.S. properties.	6%
We use multiple insurers to cover all of our U.S. properties and one insurer to cover all of our non-U.S. properties	1%
Not sure	4%

For 2020, 71% of the covered properties are located in flood-prone zones, while 55% are in earthquake zones.

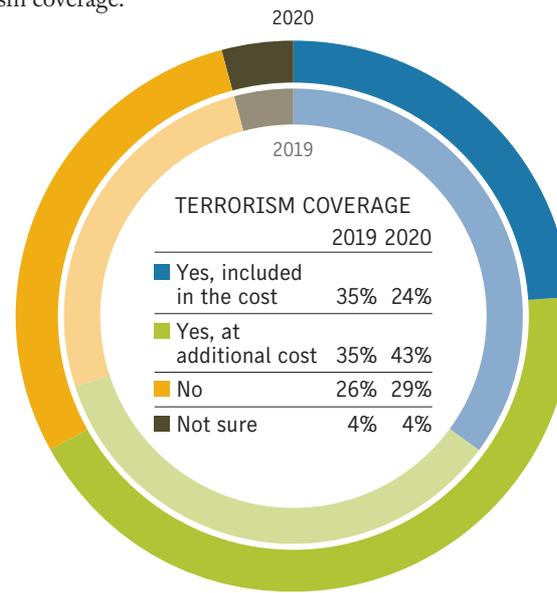


Flood	71%	Tsunamis	15%
Earthquakes	55%	Volcanic activities	9%
Hurricanes	54%	Other	4%
Tornadoes	45%	None of the above	11%

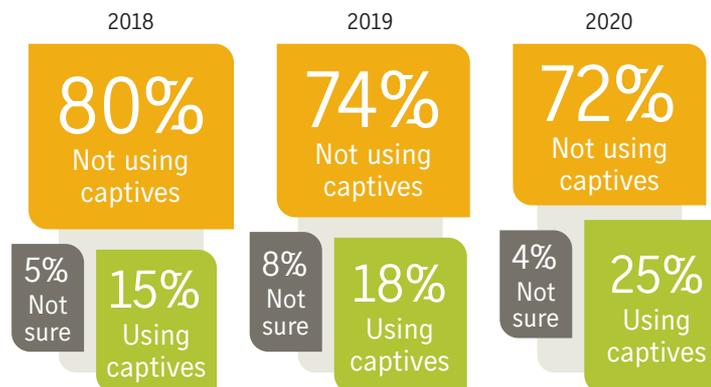
Like last year, 33% of the respondents said they have properties that qualify as highly protected risks or equivalent. HPRs are property risks that meet the standards required for lower rates — usually properties protected by sprinklers — and have better-than-average construction and occupancy. Of those who said they have HPR properties, they estimated an average of 54.8% of their properties are HPR.



Sixty-seven percent, compared with 70% last year, of the risk managers said their organizations have terrorism coverage. However, the percentage of respondents having to pay for the additional coverage increased from 35% last year to 43% this year. Organizations paid on average 3.2% in 2020, compared with 2.2% in 2019, in additional premium to add terrorism coverage.



The percentage of respondents who used captives to insure some or all of their property risks increased to 25% from 18% last year and 15% in 2018. On average, 28.8% of risks are covered by captives.



FM Global remains the top insurer serving as the main property insurance policy provider in this year's survey.

FM Global	23%
Zurich Insurance Group Ltd.	10%
American Insurance Group Inc.	8%
Chubb Ltd.	6%
Lloyd's of London	6%
Travelers Cos. Inc.	5%
Axa XL, a unit of Axa SA	3%
CNA Financial Corp.	3%
Allianz SE	2%
Munich Reinsurance Co.	2%
Hartford Financial Services Group Inc.	2%
Swiss Re Ltd.	2%
Hanover Insurance Group Inc.	1%
Liberty Mutual Insurance Co.	1%
Other	20%
Don't know	2%

Fifty-five percent of this year's respondents used only one insurer to cover all of their properties. There was an average of 70 properties or facilities covered per property insurance program.

Like last year, 33% of the respondents said they have properties that qualify as highly protected risks or equivalent.

No turning back from new norms

When states started lifting COVID-19 lockdown restrictions last month, people who had been working from home through the crisis began preparing to head back to their workplaces, in many cases rather reluctantly.

For some, the chance to once again see and chat with co-workers face-to-face is a welcome return to normality, but for others — and for their employers — the mass telecommuting experiment that the coronavirus instigated proved to be a pleasant surprise.

Studies are already coming out showing that a significant number of workers want to continue working from home after the coronavirus pandemic ends. The headline reasons are obvious: no commute, fewer meetings, more flexible work hours and the comforts of home, not to mention seriously relaxed dress codes.

In addition, companies, according to some surveys, are finding that working from home also leads to improved productivity. Contented workers with fewer distractions operating in timeframes that work best for themselves are getting more done in a shorter time, notwithstanding the additional challenges that parents of school-age children have had to bear amid forced home-schooling.

While there are obstacles to overcome — it's easier to mentor people in person, for example — in many cases they are not insurmountable.

Technology has played a large part in the success of work-from-home strategies. Videoconferencing, messaging apps, performance tracking software and other devices made the shift largely painless for many organizations. While necessity is the proverbial mother of invention, in this case it was more of a nurturer as most of the technology used had been widely available for some time.

Maybe it was a fear of testing the unknown or inertia or a combination of the two that prevented companies from taking advantage of all the telecommuting tools at hand previously, but we've clearly reached a new stage in the evolution of work.

For employers, especially those that are being hit hard by the recession, the long-term cost savings that telecommuting brings can be huge. Offloading expensive real estate costs could easily make the difference between profit and loss, and adding flexibility of work location means companies can vastly expand their pool of potential employees.

For risk managers, though, there will of course be insurance and safety implications.

Cyber risk for example will be heightened with telecommuters. Not only are employees more dependent on technology than ever before, it is harder to protect systems and people from hackers when devices are so widely dispersed.

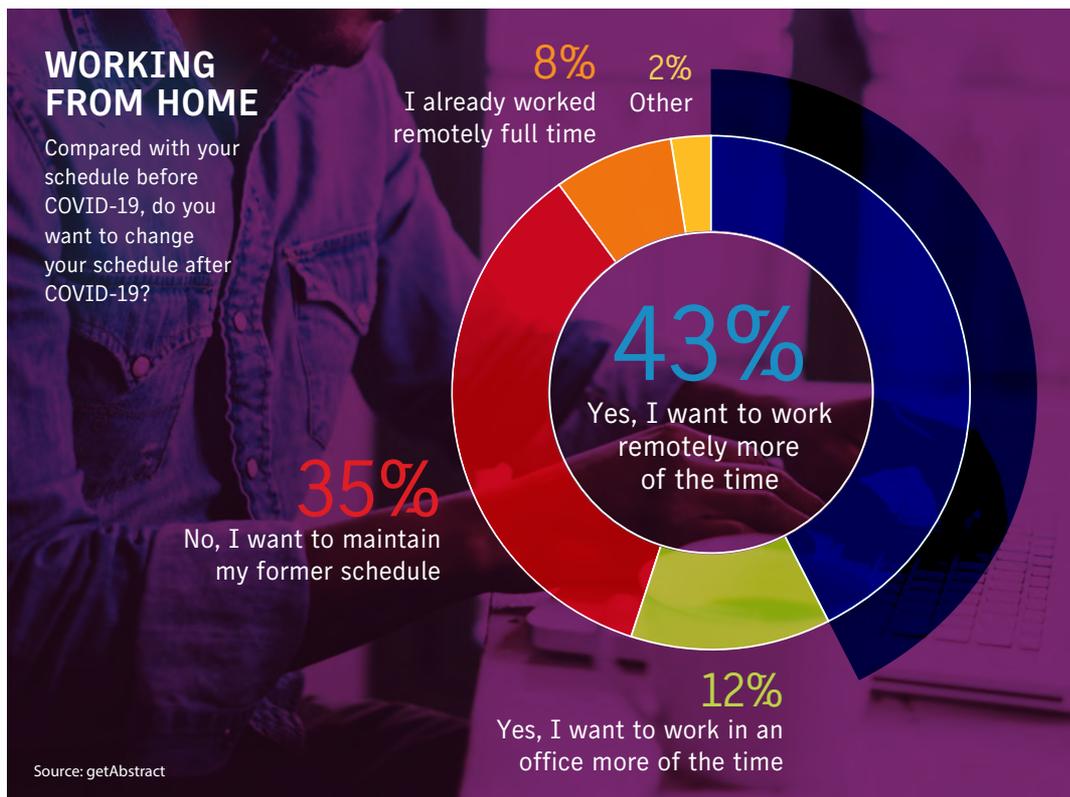
In addition, it's more difficult to ensure that workers use ergonomically sound workstations rather than hunch over a laptop in a coffee shop.

And despite bring-your-pet-to-work days, you are much more likely to be injured tripping over the dog at home than in the office.

Regardless, increased telecommuting will likely outlive the coronavirus and we all need to adapt.



Gavin Souter
EDITOR



VIEWPOINT

Young drawn to innovation

BY CLAIRE WILKINSON

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How to plug the talent gap in any industry is a perennial question, but the question asked of this year's Break Out Award winners "What should the industry do to attract more young people to work in it?" is perhaps more pertinent.

The good news is that this year's winners, the youngest of whom is in his 20s, universally expressed a commitment to and a belief in the opportunities available to those who pursue a career in insurance. Clearly, rewarding roles and challenging paths are drawing some young people into the industry and retaining their interest as they advance through the ranks.

That said, there is more work to be done. Many shared that active recruitment for entry level roles needs to start well before graduation day. College campuses are not the only fertile ground where the industry needs to search for new talent. Insurance could be worked into the high school curriculum, one winner suggested.

Social media platforms continue to be important venues for making connections and shaping the industry's narrative. This is important because many winners feel that the industry is misunderstood and that it needs a public relations makeover. It's also important because my 10-year-old is looking to YouTube and TikTok to keep a pulse on the latest trends and influencers. As one winner said, "You've got to meet young people where they are."

Another common theme is that in addition to doing a better job of marketing itself, the industry needs to broaden the way most people think about risk management and insurance. As many winners point out, it's important to get across that it's not

just about home and auto insurance, but also about solving some of the greatest risks facing the world, such as climate change, pandemics and earthquakes, with innovative approaches.

Again, this is borne out by my 10-year-old, who, when asked what comes to mind when he thinks of insurance, responded: "Car insurance, because I see a bunch of ads for that on TV."

Along with embracing technology, the industry needs to embrace diversity of talent and background, regardless of age and length of time in the industry. One of the challenges facing many companies is how to maintain institutional and industry knowledge, while also providing opportunities for newer entrants to advance, several winners commented.

If there's one thing this pandemic has highlighted it's that flexible work schedules, work-from-home options and virtual networking are no longer perks, but things that are here to stay. Already, many companies in the sector are saying the way they work will not be going back to pre-pandemic "normal." Flexibility and adaptability will attract a new generation, one that has grown up with technology and social tools and expects alternative work options.

Perhaps the most important takeaway on this topic from *Business Insurance's* Break Out Award winners is that many young people want to join an industry that is focused more on improving society and benefiting a cause than making a profit. Yes, the industry is about putting peoples' lives back together, but this goes further.

One winner summed it up by saying: "Young people are attracted to industries where they can really leave their footprint and help drive change. If we can highlight that the insurance industry is an area where they can really make an impact and a difference, that will bring them in."

COVID-19 and the future of insurtech



Vikram Sidhu (top) is a partner in the New York office of Clyde & Co. He can be reached at vikram.sidhu@clydeco.us. Cheryl Yakey is senior counsel in the firm's San Francisco office and can be reached at cheryl.yakey@clydeco.us. Jared Wilner is a senior associate in the New York office and can be reached at jared.wilner@clydeco.us.

In recent years the innovative use of technology has begun to revolutionize the insurance industry. Every aspect of the insurance business — from sales and marketing to underwriting to claims administration — has been reconsidered and innovated through novel uses of technology, referred to broadly as insurtech. Initially, such innovation was spearheaded by startups, but soon incumbent industry players began forming partnerships with or acquiring insurtech startups in addition to fostering innovation within their own organizations.

Insurtech innovation has primarily sought to simplify the consumer experience and help policyholders adapt to an increasingly digital world. Innovation, however, has been constrained by some existing state insurance laws and regulations, which in many cases were enacted to regulate the sale and administration of insurance products prior to the advent of computers, smartphones and other modern communication devices.

With the ongoing COVID-19 pandemic, U.S. insurance regulators have had to allow practices and changes to the way business of insurance is conducted to facilitate the buying, selling and administration of insurance where lockdowns and other restrictions have made it impossible to conduct business as usual. Looking ahead, insurance regulators should be more willing to allow greater technological innovation and usage in the insurance industry because many technologies have been permitted and successfully used during the pandemic.

Fostering innovation

Over the past several years, state insurance regulators had already given increased consideration to legal and regulatory changes that would foster innovation in insurance. The Innovation and Technology (EX) Task Force of the National Association of Insurance Commissioners and various NAIC working groups have been looking at potential changes to existing laws to facilitate innovation while still protecting policyholders and the insurance marketplace. Regulators have weighed enactment of new laws or changes to current ones against the ability of the existing regulatory framework to accommodate new products and processes, such as allowing delivery of various policyholder documents and notices electronically, easing of anti-rebating and inducements laws, and allowing use of predictive models, artificial intelligence and accelerated underwriting.

The coronavirus pandemic, however, has caused increased urgency for legal and regulatory changes given COVID-19's transformative effects on social and busi-



ness interactions. Although insurance has been deemed to be an essential service in the states and has been exempt from the strictest restrictions, the customers of the insurance industry have by and large been restricted from in-person interactions. As a result, the use of innovative ways to underwrite and administer claims, such as through use of drones to assess damage, has become essential across commercial and consumer insurance.

For their part, state insurance regulators have undertaken numerous emergency actions to facilitate the transaction of insurance business remotely. Numerous states have allowed and encouraged insurers to use electronic communications with policyholders during the period of emergency lockdown measures. Some states are allowing electronic delivery of policyholder notices and communications otherwise required to be sent through regular mail in hardcopy. And with restrictions on physical contact, states have pushed for the use of remote and online technologies for the investigation and adjustment of claims.

Regulators should allow greater technological innovation and usage, because many technologies have been permitted and successfully used during the pandemic.

From the perspective of the insurance business, the pandemic has made even clearer the need for the entire industry to adopt major technological innovation and change into every aspect of how insurance is transacted. The lesson for incumbents will be that insurtech must filter through all aspects of their operations and business models, and can no longer be relegated to the fringes. Further, after having had to adapt to remote working essentially overnight, all insurers and insurance producers, large and small, are now evaluating the extent to which remote working can be maintained permanently — not least for cost efficiencies. For example, Nationwide Mutual Insurance Co. announced that it intends to shift all but four corporate campuses and a few other offices to a work-from-home operating model. Statutory

and regulatory changes will be important to facilitate a transition to broad-based remote working by the insurance industry.

Additionally, buyers of insurance stand to benefit from and will likely want to see continue the trend towards a greater integration of insurtech into the business of insurance. Younger consumers have long expressed a desire for greater adoption of the innovation which is now being accelerated by social-distancing and other limitations arising out of the pandemic; now older consumers are likewise adapting rapidly to online and tech-based services. For commercial buyers of insurance, a shift by the insurance industry to greater adoption of innovation and technology should be a welcome change as well. Although until now the uses of insurtech have focused more on the consumer and small- and medium-sized enterprises segments of the insurance market, the uptake of insurtech innovations is likely to expand to cover all aspects of the commercial market going forward.

Removing roadblocks

With the duty of insurance regulators to protect and foster a robust insurance marketplace and insurance offerings for insurance buyers, it is more important than ever to facilitate insurtech innovation to allow for a wide array of insurance products in the marketplace and proper administration of those despite the restrictions on in-person and other traditional ways of doing insurance, as the restrictions or preferences resulting from the pandemic may stay for a long time. As a result, insurance regulators will be challenged to speed up a review of and make changes to existing regulations that might hinder innovation and adaptation to a world of remote, online transaction of insurance business. In addition to changes to regulations, there will indeed need to be statutory changes, as some of the requirements referred to above are hard-coded in the insurance codes of the states.

Collectively, the pandemic and the resulting social and business changes have the potential to accelerate the adoption of insurtech innovations and lead to long-sought legal and regulatory changes. The merits of many of the positions of insurtech proponents over the past several years about the need to update many of the insurance laws and regulations that no longer serve their purpose in our world where most insurance transactions increasingly take place online and remotely have become clearer. The case for making the much-needed updates to the states' insurance laws and regulations to facilitate innovation will remain strong into the future based on lessons learned during the pandemic.

Berkshire Hathaway provides defense cover

■ Berkshire Hathaway Specialty Insurance Co. announced it is providing Defense Base Act insurance on a global basis through its underwriting and claims team in Dubai.

DBA insurance provides disability, medical and death benefits to covered employees, whether the injury or death occurs on or off the job in the course of employment, the statement said.

In addition, Berkshire Hathaway Specialty can provide additional coverage in other areas, such as emergency medical evacuation and supplementary repatriation expenses, the statement said.

Limits available on additional coverages offered are emergency medical evacuation, up to \$1 million; employer's liability, up to \$1 million; and supplementary repatriation, up to \$1 million; according to an email from an underwriter in the Dubai office.

Like other workers compensation coverages, compensation paid to injured employees under DBA varies depending on the individual employee's earnings and remunerations and type of injury, he said in the email.

U.S. federal law mandates DBA insurance for U.S.-government contractors, private employers and contractors working outside the U.S. on American military bases or under a contract with the U.S. government for public works or for national defense.

These works include providing defense equipment, life support, materials or services to U.S. allies; or providing welfare services to benefit U.S. Armed Services.

Axa XL adds commercial umbrella program

■ Axa XL's global risk management and North America excess casualty business units now offer Multipass, aimed at helping U.S.-domiciled multinational businesses efficiently address tax/compliance regulations and contractual obligations, Axa XL, a division of Axa SA, said in a statement.

The coverage combines an international controlled master program with an umbrella liability policy to create a global admitted commercial umbrella program and extends the international primary general liability policy limit to meet a customer's requirements.

The capacity for the umbrella policy is \$10 million and for multinational exposures is typically \$5 million, with higher limits available on a case-by-case basis, a spokeswoman said in an email.

Multipass allows firms to comply with requirements to show admitted local general liability coverage above the



Cyber firm unveils cover in California

■ Cowbell Cyber Inc. said it is introducing Cowbell Prime 100, its stand-alone cyber insurance product, in California.

Pleasanton, California-based Cowbell Cyber uses artificial intelligence and data to allow users to assess and underwrite cyber risk.

The policy, Cowbell Prime 100, offers stand-alone, first- and third-party coverages to businesses with up to \$100 million in revenue. Limits available are up to \$5 million, with deductibles beginning at \$1,000, according to the company's statement.

Coverages include security breach expense, security breach liability, cyber extortion, business income and social engineering.

primary liability limits under a global admitted commercial umbrella program, said Stefan Homberger, global risk management head of multinational casualty.

Insurtech firm approved as trucking coverholder

■ Cover Whale Insurance Solutions Inc. was approved as a new coverholder at Lloyd's of London and is working with Lloyd's syndicates to provide commercial auto coverage for trucks in the U.S., the Rancho Santa Margarita, California-based insurtech broker said in a statement.

Coverages available include automobile physical damage for commercial truckers and motor truck cargo, both with limits up to \$250,000 per occurrence, according to an email from a spokesperson, who declined to name specific syndicates.

"Cover Whale's new Lloyd's capacity

allows expansion of our exclusive distribution to more clients and territories," Jason Wexler, chief underwriting officer at Cover Whale, said in the statement.

Coalition expands cyber offerings

■ Cyber insurer and security company Coalition Inc. said it is expanding its offering to Canada-based companies, providing cybersecurity products and services as well as cyber and technology errors and omissions insurance.

The San Francisco-based company said it will offer up to \$20 million Canadian in coverage to companies with up to \$1 billion Canadian in annual revenue.

Coalition, which is backed by Swiss Re Ltd. unit Swiss Re Corporate Solutions, Lloyd's of London and Argo Group, said in September that it expanded its E&O coverage to middle-market companies with up to \$1 billion in annual revenue.

Alliant adds private-equity cybersecurity product

■ Alliant Insurance Services Inc. said it is partnering with a cybersecurity firm to offer a product for private-equity managers and their portfolios.

Newport Beach, California-based Alliant said it is partnering with New York-based cybersecurity firm ACA Aponix, a unit of ACA Compliance Group Holdings LLC, to offer PortCo Protect.

PortCo Protect addresses various aspects of cybersecurity risk management, including cybersecurity maturity assessment and risk scoring; access to top cybersecurity insurers; a simplified underwriting process; portfolio group pricing; and potential premium credit towards assessment.

Aon adds components to comp analytics tool

■ Aon PLC launched a workers compensation cost management tool, the brokerage announced.

The Aon Spectrum Analytics tool, initially launched in 2017, now includes a casualty diagnostic component to identify retained loss cost savings, an online calculator to quantify savings and the ability to create and track performance goals.

The updated tool also offers an interactive workers compensation claims dashboard with benchmarking to identify cost-savings opportunities and monitor the performance of pre- and post-loss risk mitigation strategies.

The analytics tool will now be included in services for eligible casualty clients.

DEALS & MOVES

NFP buys broker focused on pro baseball

NFP Corp. has acquired LFG Inc., DBA Team Scotti, the brokerage said in a statement.

Terms of the deal were not disclosed.

Pittsburgh-based broker Team Scotti focuses on providing coverage to Major League Baseball and Minor League Baseball and their affiliates, the statement said, including securing high-limit disability insurance for key players and servicing team group health benefit needs, the statement said.

The founder of the firm, John A. Scotti, will join NFP as a managing director.

USI purchases Minnesota broker

USI Insurance Services LLC has agreed to acquire Minnetonka, Minnesota-based broker Associated Benefits and Risk Consulting in a \$266 million cash deal, seller Associated Banc-Corp said.

All 400 Associated Benefits & Risk Consulting staff will be joining USI, Michael J. Sicard, USI's chairman and chief executive officer said in a statement.

The \$266 million cash deal is subject to adjustment for transaction costs and working capital changes, Green Bay, Wisconsin-based Associated Banc-Corp said.

Hub purchases New York brokerage

Brokerage Hub International Ltd. said that its affiliate, Hub International Northeast Ltd., has acquired the assets of The B&G Group Inc. of Plainview, New York.

Terms of the transaction were not disclosed.

The B&G Group provides commercial insurance to industries, including real estate, business services and construction, the statement said.

The deal adds more than 100 employees to Hub's Northeast regional presence.

Brokerage completes energy acquisition

Brokerage IMA Financial Group Inc. has completed its acquisition of Kittanning, Pennsylvania-based ESS NexTier Insurance Group, in a deal expanding its energy practice and presence in the Northeast.

Terms of the deal were not disclosed.

ESS NexTier adds natural gas capabilities to IMA's existing onshore and offshore services and international exploration expertise, Denver-based IMA said.



UP CLOSE

Dana Lodge

NEW JOB TITLE: New Jersey-based chief financial officer, Everest Insurance Co.

PREVIOUS POSITION: New York-based senior vice president, director of finance, Sampo International Holdings Ltd.

OUTLOOK FOR THE INDUSTRY: The outlook is strong. The current coronavirus public health crisis will have an impact on the insurance industry in the short term, but economic activity will return and those who are well-capitalized will be able to work through this. During this crisis, the industry can and will play an important role in providing liquidity to our insureds, especially those in the small-business sector — whether it is revised premium payment plans or quick claims payments that do not stop during stay-in-place orders.

GOALS FOR YOUR NEW POSITION: I'm looking forward to leveraging all of the information and experience I have gained over my career and applying it to help build out an international finance function that meets the strategic initiatives of the company.

CHALLENGES FACING THE INDUSTRY: The finance department within the insurance industry is usually an area of underinvestment during the initial growth years. By the time a green light is given for investment, processes could be very outdated and unable to keep up with the current growth of the business.

FIRST EXPERIENCE: I was an intern student working at Ernst & Young in Toronto and worked on the annual audit for Liberty Mutual Insurance Co. in Canada. That was my first introduction to insurance.

ADVICE FOR A NEWCOMER: Anytime I have a chance to be in front of a young person just starting in the industry, I tell them to learn as much as they can before settling in one area.

DREAM JOB: It would be fun to tap into my creative side and be a hairdresser.

COLLEGE MAJOR: Accounting

LOOKING FORWARD TO: I'm looking forward to meeting team members in person. I started my new position a day before the company mandated work-from-home orders.

FAVORITE MEAL: As a once-in-a-while treat, a good medium-rare steak.

BOOK: My favorite book is "Judgment Days" by Nick Kotz. It provides a look at the relationship between Lyndon B. Johnson and Martin Luther King Jr. right after the assassination of John F. Kennedy and how the two had to see past their differences in order to work together to pass the Civil Rights Legislation in the 1960s.

HOBBIES: I enjoy bike-riding and hiking.

TV SHOW: With current stay-in-place orders, I have been exploring Netflix and have really enjoyed catching up on "Schitt's Creek."

ON A SATURDAY AFTERNOON: With a 3-year-old, my weekends are usually filled with doing crafts and play dates.

"The current coronavirus public health crisis will have an impact on the insurance industry in the short term, but economic activity will return and those who are well-capitalized will be able to work through this."



Brokerage CAC Specialty named **Eric Joost** executive vice president and chief technology & global markets officer. Mr. Joost, based in New York, was previously global head of property/casualty at Willis Towers Watson PLC, and prior to that was chief operating officer at Willis North America Inc.



Liberty Mutual Insurance Co. named Boston-based **David Perez** chief underwriting officer for Global Risk Solutions, Liberty Mutual's global commercial and specialty lines insurer and reinsurer. Mr. Perez replaces James Slaughter, who has decided to leave the company effective June 30. Previously, Mr. Perez was chief underwriting officer for North America.



Jonathan Zaffino joined Ascot Group Ltd. as group president of the Bermuda-based insurer and reinsurer. Previously, Mr. Zaffino was head of insurance operations for Everest Re Group Ltd.



The Maryland Insurance Administration named **Kathleen A. Birrane** commissioner, replacing Baltimore County delegate Al Redmer, who was appointed executive director of the Maryland Auto Insurance Fund. Previously, Ms. Birrane was a partner in the insurance, regulatory and enforcement practice for DLA Piper U.S. LLP.



Lockton Cos. LLC named **Hiram Marrero** president, global growth officer. Mr. Marrero, who is based in Miami, was previously executive vice president and regional executive officer.



CFC Underwriting Ltd. appointed former Marsh JLT Specialty cyber innovation leader **Shannon Groeber** the firm's executive vice president, in a newly created position. Based in New York, Ms. Groeber was named one of *Business Insurance's* Women to Watch in 2017.

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



On marketing: Don't have a cow

They say ice cream makes everybody happy. Even cows, maybe. Or not.

But that's just an opinion, a federal judge in Burlington, Vermont, in May said in dismissing a lawsuit against the makers of Ben & Jerry's ice cream over the claim that its product came from "happy cows."

An environmental advocate had claimed in a proposed class-action suit that the company deceived consumers by saying it used milk and cream from "happy cows" on feel-good "Caring Dairy" farms to make its ice cream, which it charged a premium for, according to Reuters.

In ruling that the "happy cows" claim was merely an opinion, the judge said the plaintiff did not show that reasonable consumers would buy its ice cream solely because of the company's claims that the cows are happy.

Creepy crawly isn't covered

A spider is an insect and, to add insult to injury, the hapless creature is also vermin, a federal appeals court ruled in a squabble over homeowners insurance coverage.

An Alabama couple filed a claim with their insurer after their house was infested with poisonous spiders. Liberty Mutual Insurance Co. denied the claim citing the policy's exclusion for damage caused by insects and vermin.



The couple said spiders are arachnids not insects.

The court ruled for the insurer: brown recluse spiders are commonly regarded as insects, plus they are vermin and excluded under terms of the policy.

INSURANCE SECTOR ZOOMS TO THIRD IN RACE TO MAKE HAPPY HOUR VIRTUAL



Where everybody knows your claim...

After finance and engineering, insurance nabbed the third spot among industries now taking part in virtual office happy hours, as COVID-19 has more professionals working from home, according to a study released by Chicago-based alcoholic beverage company Phusion Projects.

Phusion surveyed 2,007 people in April to better understand the emerging trend of online happy hours: Where? (Home, where 42% say they are self-conscious about co-workers seeing their abode.) How? (More than half — 55% — chose Zoom.) Why? (Why not? It found 41% of workers are drinking more during quarantine.)

By industry, 70% of those working in insurance have attended such virtual events. By comparison, 75% and 72% of those in finance and engineering, respectively, have taken part.

Yet, Phusion found that the average online office happy hour falls short at just 35 minutes.

Emojis in business emails? Frown

You may want to resist that smiley face emoji, the frown, the thumbs up or down, or the cute one with the eyeglasses if you want to seem professional in business communications.



A recent survey of 1,000 professionals by Resumelab.com revealed that those who favor the lighthearted symbols as a way to communicate with colleagues and clients run the risk of lacking professionalism.

Specifically, the results showed that only 40% of respondents perceive emails that include emojis as professional.

The number soars to almost 70% if the sender refrains from using emoji. If the message is clear, it is clear with or without emojis, says Resumelab.com.



Similarities are out of this world

There's a not-so-wholesome twist in American Girl's 2018 "Girl of the Year." Silky-haired brunette Luciana Vega, a starry-eyed 11-year-old interested in going to Space Camp and becoming the first Mars astronaut, aiming to encourage little girls everywhere to take up science, was allegedly created in the image of Lucianne Walkowicz.

Ms. Walkowicz is an astronomist who has worked on space exploration projects and a scholar in everything Mars and the star Vega. A TED fellow on the staff at Chicago's Adler Planetarium and known for her TED talks viewed by millions, she's suing the doll maker for stealing her image, the Milwaukee Journal Sentinel reported.

The suit accuses American Girl and its parent company, Mattel Inc., of appropriating Walkowicz's image and identity without permission and alleges invasion of privacy, negligence and trademark fraud. The suit seeks compensatory and punitive damages, and a stop to all sales of the \$110 Luciana Vega doll and accessories.

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INNOVATION

AWARDS

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Business Insurance Innovation Awards, now in its 11th year, recognizes innovation in new products and services that insurers, brokers, TPAs, technology companies and other service providers create for professional risk managers.

WHO QUALIFIES?

- Any product, service or program that show innovation in risk management practices.
- Submissions can be made by a single company/person or by a team of individuals that collaborated on a product, service or program.

HOW DO I SUBMIT?

- All submissions must be made via the online form at: BusinessInsurance.com/Innovation.
- Anyone familiar with the product, service or program being nominated can make a submission.
- There is no fee to make a submission.
- Each company may make up to five (5) nominations.

TIPS FOR A STAND-OUT NOMINATION

Provide a good narrative along with supporting data. Write your submission with risk managers in mind as your audience as our judging panel is comprised of senior risk management experts.

RECOGNITION

- Winners will be announced online in Summer 2020 and will have featured profiles on BusinessInsurance.com and in the bonus Insurtech September 2020 print issue of *Business Insurance*.
- *Business Insurance* will host an awards ceremony honoring all the winners in Fall 2020. Details to follow this summer.

LEARN MORE & NOMINATE >>

BusinessInsurance.com/Innovation

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