



# Guide to Insurance/Risk Management for Higher Education

Anthony Di Stefano | 10/2/2024



**Gallagher**

Insurance | Risk Management | Consulting

# Today's Agenda

October 2, 2024

- 1 Gallagher Introduction
- 2 Insurance Market Report
- 3 How are you setting your limits?
- 4 Higher Ed Hot Topics
- 5 What can you do to reduce risk?
- 6 Creating an Effective Renewal Timeline
- 7 **Key Takeaways and Q/A**

# Gallagher Introduction

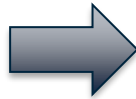


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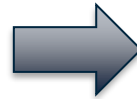
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Associates Degree 2012



B.S. Marketing Degree 2015



Insurance | Risk Management | Consulting

Intern: June 2014  
Start Date: January 2016

# Gallagher Introduction

## Higher Education Practice



### Higher Education

**1,600+**

U.S. clients

**175+**

Global professional experts

**\$748M+**

In annual premium

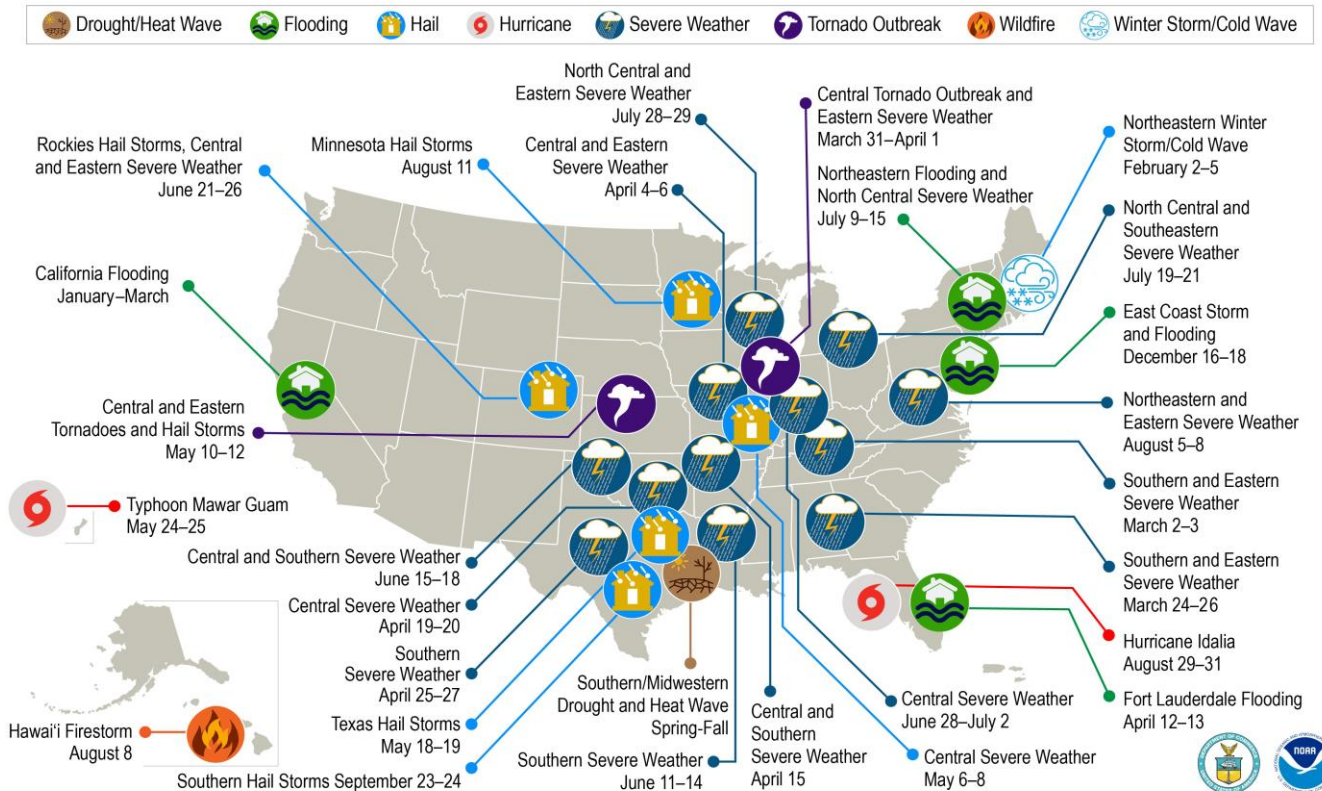
### Gallagher Higher Ed Premium Volume

United Educators Insurance (a Re...	\$86.3M
Travelers Group	\$56.7M
Lloyd's of London	\$47.8M
FM Global Group	\$39.9M
Chubb Limited	\$26.0M
American International Group, Inc.	\$19.6M
Liberty Mutual Insurance Company	\$18.9M
The Hartford Insurance Group	\$18.8M
Berkshire Hathaway Insurance Gr...	\$16.5M
Zurich Financial Services Ltd	\$16.3M

# Insurance Marketplace Report

## Property Insurance Overview

### U.S. 2023 Billion-Dollar Weather and Climate Disasters



This map denotes the approximate location for each of the 28 separate billion-dollar weather and climate disasters that impacted the United States in 2023.

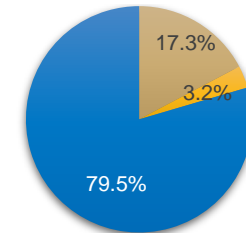
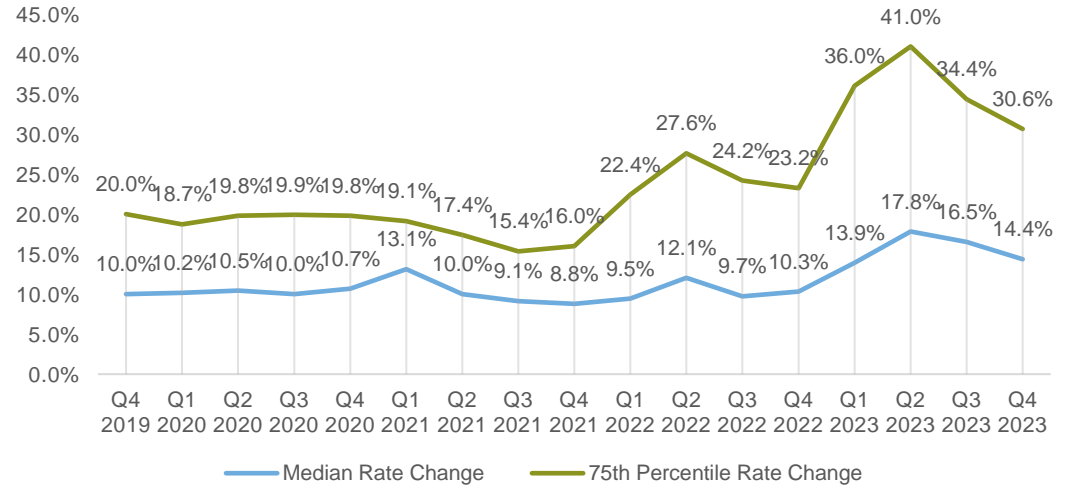


# Insurance Marketplace Report

## Property Insurance Overview

- Wind/Hail Deductibles have become more common.
- Carrier focus on valuations has increased. Insurance Appraisals are strongly encouraged.
- Carriers are moving towards agreed values vs blanket values. (margin clauses)
- ACV endorsements on roofs are becoming more common.
- Underwriters are looking to do site visits prior to quoting. Make sure you budget time for this.
- Rate increases are stabilizing but have not flattened out entirely.
- Creative buying structures (Pools, Co-ops, captives, etc..) have helped some with difficult property insurance conditions.

## Property Rate Trends Q4 2019 - Q4 2023



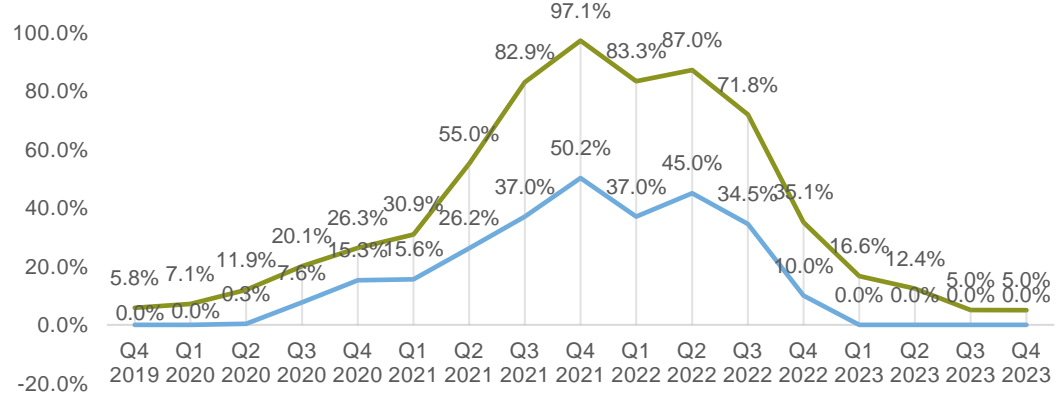
■ Decrease ■ Flat ■ Increase

# Insurance Marketplace Report

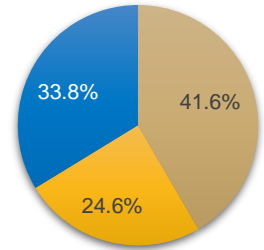
## Cyber Insurance Overview

- Cyber rates experienced a rollercoaster ride over the past 4 years.
- Underwriting for cyber insurance has become more robust. Gone are the days of 4 question applications...now we are asked for 4 pages+ of underwriting information.
- More security measures = less cyber claims.
  - Less cyber claims = Better cyber rates.
- Cyber intrusions are growing in sophistication.
- Cyber exposures are ever changing, rates could see some volatility as AI continues to present unknown effects on the insurance market.
- Continuous updates and improvements to cyber security will help develop positive underwriting narratives.

### Cyber Rate Trends Q4 2019 - Q4 2023



— Median Rate Change    — 75th Percentile Rate Change



■ Decrease    ■ Flat    ■ Increase

# How are you setting your limits?

**Gallagher** | Drive



**BENCHMARKING SERVICES**

Our platforms allow you to compare your insurance program structure against industry peers to help you make more informed purchasing decisions around your coverages, your limits and potential exposures.



**PLACEMENT ANALYTICS**

Gallagher has decades of experience working with carriers complemented with unique trade data to help ensure you optimize your insurance panel along with your total cost of risk. We use these analytics to continually review markets to ensure risk is being managed with the optimal carrier.



**CLAIMS ANALYTICS**

Gallagher's proprietary data combined with our robust forecasting and modeling tools can help you better analyze your organization's loss history and related impact.

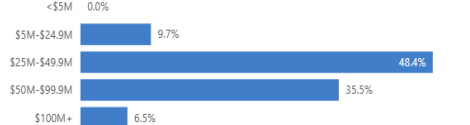


**CONSULTING SERVICES AND SOLUTIONS**

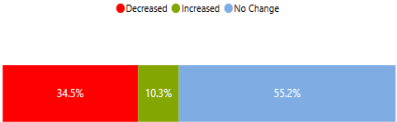
Our comprehensive suite of data visualizations and dashboards provide a visual story of the factors that comprise your specific total cost of risk. Our analytics consultants can show how they work together to deliver the performance your organization requires.



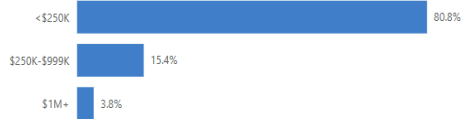
**Range of Excess Liability Limits**



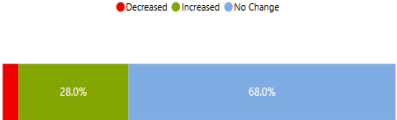
**Changes in Excess Liability Limit in Last Two Years**



**Range of General Liability Deductibles**



**Changes in General Liability Deductible in Last Two Years**



**Range of Sexual Abuse and Molestation Limits**



**Range of Traumatic Brain Injury Limits**

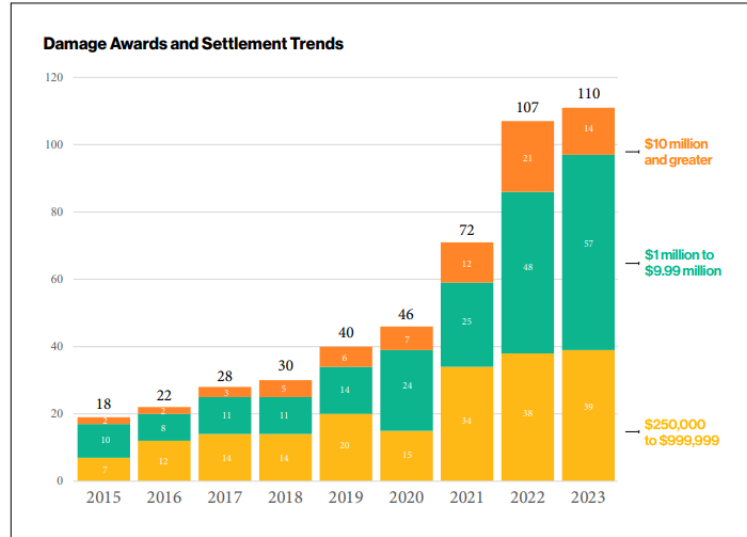




# Higher Ed Hot Topics

## Trends From 2015-23

An analysis of the Large Loss Reports from 2015-23 shows troubling trends for K-12 schools and higher education institutions.



- Have a plan for how and when to report claims
- Make sure to update your policies and procedures.
  - Employee handbook, cyber security, campus security, SAM, etc..
- Ask for help!

Of the publicly reported settlements or awards of at least \$1 million:



## Higher Ed. Hot Topics

- Sexual assault and Molestation (SAM)
- Minors on Campus
- Litigation Cost/Nuclear verdicts
- Title 4
- Title 9
- TBI
- Wrongful Termination
- Cyber security
- Campus Protest/Civil Unrest
- PFAS
- Contractual Risk Transfer

# What can you do to reduce risk?

## Reduce Your Risk and Simplify Training

Safety training programs and educational materials for employees are critical for reducing accidents, increasing retention, and minimizing your total cost of risk now and in the future.

**Gallagher Safety Training Education Platform (STEP)** is our proprietary learning management system (LMS) that supports your safety program, provides real-time access to your loss control plans and keeps employees up to date with the latest safety standards.

### Key Benefits of Gallagher STEP

- **Register** for up to 10 complimentary modules every year from a library of over 100 training and safety shorts. In addition, monthly bulletins are available, covering topics such as general and environmental safety, human resources, and health and wellness.
- **Save** valuable time by assigning employee training and monitoring their latest progress and completion.
- **Simplify** the process of training to stay in compliance and avoid costly penalties.
- **Onboard and train** an unlimited number of users while enhancing your overall risk control program.
- **Customize** your platform with your company's logo, training content and modules tailored to your business, and personalized procedures and forms for an added fee.

Please visit [ajg.com/us/gallagher-step/](http://ajg.com/us/gallagher-step/) to learn more.

### Most Popular Training Modules

- Sexual Harassment and Discrimination
- Slip, Trip and Fall Training
- Electrical Safety Training
- Back Safety Training
- Bloodborne Pathogens
- Safe Lifting Practices
- Defensive Driving Basics
- Fire Prevention Basics
- Personal Protective Equipment
- GHS Hazard Communication



Gallagher CORE360® is our unique, comprehensive approach of evaluating your risk management program that leverages our analytical tools and diverse resources for custom, maximum impact on six cost drivers of your total cost of risk.



# Creating an Effective Renewal Timeline

INITIATIVE	TASK	CRITICAL DATES
Pre-renewal Meeting & Program Analysis	<ul style="list-style-type: none"> <li>Review goals and objectives with College</li> <li>Review market conditions</li> <li>Develop marketing plan/budget</li> <li>Review loss experience and develop claims analysis trend</li> <li>Make coverage recommendations</li> <li>Discussions with potential markets</li> </ul>	150-180 days prior to renewal
Exposure and Marketing Analysis	<ul style="list-style-type: none"> <li>Prepare request for underwriting information</li> <li>Review marketing strategy including analysis of existing program and identify markets</li> <li>Review loss experience</li> <li>Review existing policy contracts</li> <li>Prepare underwriting submission and review with College</li> <li>Specifications to marketplace</li> </ul>	90 days prior to renewal
Program Marketing	<ul style="list-style-type: none"> <li>Negotiations with markets to achieve best possible terms and conditions</li> <li>Keep College abreast of negotiations with carriers</li> <li>Discuss renewal terms with TPA firms (if applicable)</li> <li>Begin proposal assembling and process</li> </ul>	60 days prior to renewal
Final Negotiations/ Binding	<ul style="list-style-type: none"> <li>Analyze all proposals and quotes from carriers</li> <li>Request revisions from carriers</li> <li>Finalize renewal terms with TPA (if applicable)</li> <li>Finalize proposal</li> <li>Presentation of proposal to College</li> <li>Place coverage upon College approval</li> <li>Issues binders, invoices, and Auto ID cards</li> <li>Meeting between College and strategic partners/ carriers</li> </ul>	30 days prior to renewal
Ongoing Support	<ul style="list-style-type: none"> <li>Review policy from carriers for accuracy and request necessary endorsements</li> <li>Deliver policies to College</li> <li>Issue and review certificates on an as-needed basis</li> <li>Schedule quarterly review meetings</li> </ul>	Quarterly and continuous



# Key Takeaways and Q/A

1. Property carriers are looking for updated exposure values. Consider doing an appraisal.
2. Use data to make informed decisions on your limits/retentions.
3. Be aware of the hot topics affecting higher education and have a plan to address them.
4. Utilize free loss control and safety platforms. Consider developing more robust enterprise risk management programs. This will help to develop a positive narrative when going out to market.
5. Establish a renewal timeline that allows time for strategic marketing and addressing difficult market conditions.

# Thank You

Property/Casualty Insurance



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# Employee Benefits Consulting



Our Employee Benefits Consulting practice is focused on elevating health and welfare by fostering innovation, building and deploying new consulting solutions, and enhancing the quality of our analytics and other consulting services.

## Delivering

thought leadership to make informed decisions

Vendor  
Management

Compliance  
Support

## Benchmarking

and data warehouse

## Renewal

services & support

Ongoing  
Client Support

Project  
Management

# Employee Benefits Consulting

## How you benefit



We are an extended part of your professional team. We get you what you need, when you need it, as a result of managing work effectively and delivering on our client service promise.

We proactively manage your renewal process, delivering a predictable timeline that allows time to make informed decisions.

We execute a holistic approach to organizational wellbeing, leveraging the principles of Gallagher Better Works<sup>SM</sup>, so your organization has access to the solutions you need to help build a better workplace.