PROTECTOR PLANS

PROTECTOR PLANS MARKET REPORT

2024

EXECUTIVE SUMMARY

The insurance industry faces unprecedented challenges going into 2024, marked by rising litigation frequency, settlement costs, and judgments, resulting in insurance rate hikes and a persistent hard market. To navigate these challenges, policyholders must reassess their coverage assumptions, shift toward proactive risk management and collaborate closely with insurers and advisors to ensure resilience and success.

As we enter 2024, the insurance industry finds itself at a critical juncture, facing unprecedented challenges that are reshaping the landscape ahead. Increases in three pivotal areas — the frequency of litigation, settlement amounts and judgments — have triggered a domino effect, leading to rate hikes and a persistent hard market across many coverage lines.

Although not all lines of business and products are affected equally, the property catastrophe (CAT) market is the hardest it has ever been. Premiums for commercial properties saw their most significant increase in the first quarter of 2023 compared to any three-month period in the past two decades,[2] and it appears set to persist through 2024.

Coupled with social inflation and escalating claims costs, the burden on carriers and insurance agents is increasing. This invariably impacts policyholders, making the overall experience more costly and burdensome. Business owners now find themselves at a crossroads, where a fundamental question emerges: Are my policy limits sufficient to cover the risks I face?

In such a hard and ever-changing market, the coverage assumptions of the past may need to be reassessed, as will the solution to these challenges. Carriers now require higher rates for the same risks, and in response, there must be an increased emphasis on loss prevention and risk management. After all, the best loss is the one that never occurs.

By taking a proactive approach to risk management and engaging in a close partnership with advisors and brokers, policyholders can steer away from the perils of increased claims, laborious legal processes and costly judgments in 2024 and beyond.

1 Insurance Journal "Commercial Property Premiums Up Over 20% to Start 2023: CIAB," May 18, 2023.

KEY MARKETPLACE TRENDS FOR 2024

Four overarching trends are poised to shape the insurance landscape in 2024 and beyond, each bringing its own unique challenges and opportunities. By understanding these dynamics and proactively adapting to them, business owners and operators can position themselves for resilience and success amid an evolving insurance landscape.

1. INCREASED LITIGATION AND LITIGATION COSTS

The surge in litigation costs is fueled by three forces: social inflation, nuclear verdicts and private equity funding now financing lawsuits across industries.

Over the past five years, the average increase in liability claims costs in the United States has been 16%, significantly outpacing the factors driving economic claims.[2]

These escalating costs are pervasive across multiple domains within the insurance industry. This includes dental insurance where the costs associated with settling claims have surged to unprecedented heights. In the U.S. in 2019, the total amount paid in claims was around $85.20 million.[3]

2. GREATER FREQUENCY AND SEVERITY OF CLAIMS

This trend is characterized by a substantial increase in the financial impact of individual claims. In times

of economic downturn, there is typically an increase in frequency; and we saw this in the aftermath of the COVID-19 pandemic and may see it again in 2024. While the U.S. is not technically in a recession, the New York Fed's recession probability indicator suggests that there remains a 56% likelihood of a recession occurring within the coming year.[4]

The increasing severity of claims is not restricted to any particular sector; it encompasses a broad spectrum of insurance areas, including contents, property and dental insurance. For example, replacement costs for property insurance have surged. The cost of replacing a roof or structure post-flood or hurricane, for example, has recently increased 20% to 40%.[5] This is due to both supply chain constraints and inflation in material and supplies costs as well.

3. ENTRANCE OF TECH AND ARTIFICIAL INTELLIGENCE (AI)

From underwriting and claims processing to service delivery and risk assessment, technology and AI have become indispensable tools for insurers, opening up new horizons while posing significant challenges.

Small to mid-size businesses have increasingly become reliant on technology for product delivery and service. This transformation presents a unique set of challenges when

2 Swiss Re "US liability claims: the shadow of social inflation still looms," September 28, 2023.
3 Gitnux "Must-Know Dental Malpractice Statistics [Current Data]," October 15, 2023.
4 Forbes "Recession Or Soft Landing: What's Next for the U.S. Economy?" October 17, 2023.
5 HHH Roofing & Construction "2022 Inflation Roofing | Why Roofs cost 20-40% more? Will they go down?," June 13, 2022.

evaluating these businesses from an insurance perspective.

Many businesses, regardless of size, often engage with third-party service and technology delivery partners to enhance their operations. These partnerships have become integral to business strategies. However, the growing reliance on third-party technology providers can introduce complexities regarding liability and risk management. Insurers must assess the extent to which technology and AI are integrated into their operations, as this can significantly affect the insurance coverage required.

The complexity arises from ownership and licensing of technology-related intellectual property (IP). Questions about proprietary versus licensed technology can lead to disputes over ownership and usage rights, making the alignment of IP rights

4. RISE OF SUSTAINABILITY AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS

Insurers and investors now consider ESG criteria when making investment decisions, recognizing the importance of sustainability that balances financial returns with environmental and social impacts.

Businesses are also emphasizing diversity, equity, and inclusion (DEI) to reduce discrimination claims and enhance their reputation. Neglecting these issues can lead to conflicts and litigation, making it crucial to assess and communicate changes in priorities and stay updated on evolving rules.

ESG factors are dynamic, requiring business owners to adapt. This fluid nature poses challenges in understanding how ESG and DEI principles impact relationships with customers, employees, and partners. Anticipating these influences on the risk landscape in 2024 will be essential.

B&B PROTECTOR PLANS PROGRAMS OVERVIEW: A LOOK AT 2024 TRENDS

In the dynamic world of insurance today, the aforementioned trends are reshaping the landscape, leaving a profound impact on each of our programs and insurance lines.

DENTAL

As the dental field continues to evolve, specializations within dentistry are on the rise, with more practitioners opting for specialized areas over general dentistry. This shift is evident in the increasing number of student dentists entering practices with a focus on specialized fields.

Currently, a significant portion of the dental service industry is moving away from the small neighborhood dental office with a few practitioners toward large, dental support organizations (DSOs) due to private equity (PE) investment in expanding and bolstering the industry.

The post-pandemic world has acted as an accelerator for change. Many dentists approaching the later stages of their careers have opted to retire or sell their practices, inadvertently expediting the growth of the DSO model.

As a result of these shifts in dental practices, claims trends are also evolving. For example, there is an increase in claims related to high-cost implant failures and other specialty procedures. The value of a provider in this dynamic landscape lies in their ability to understand these emerging claims trends and promptly establish a feedback loop with underwriters.

LAWYERS

The insurance market for lawyers is a dynamic and often crowded space, marked by numerous new entrants and exits from carriers in the last few years. This continually evolving landscape highlights the need for stability and expertise, as well as those who can adjust underwriting protocols in a compressed time frame.

As the economy changes, certain practice areas within the legal field become more sensitive to these shifts. For example, commercial real estate mergers and acquisitions (M&A), financial services and wills and estates are among those most likely to be impacted in 2024 and beyond. The potential impact of inflation and economic conditions necessitates a careful evaluation of risk management strategies and insurance coverage tailored to address these evolving dynamics.

Claims are becoming more complex and diverse. For example, coastal properties and CAT claims are often high-stakes and complicated cases, requiring specialized expertise. Finding insurers willing to underwrite such risks can be challenging, given the unique complexities and high potential for significant losses.

MANAGEMENT LIABILITY

The management liability insurance market is a dynamic and multifaceted sector in which more carriers are entering and going after smaller private companies. A prominent trend, especially within private companies and those backed by PE as a portfolio company, is the increasing mandate for minimum coverage limits by carriers, which stems from demands of investors and service providers.

While such mandates have historically been more prevalent in the errors and omissions sector, they are now becoming common in the directors and officer's space. This change results in higher costs, as companies are asked to carry more substantial limits than before.

The management liability landscape is highly responsive to economic conditions. Typically, there is an 18-to-24-month lag between financial downturns and an increase in bankruptcy among private companies. Economic changes, such as inflation or market fluctuations, significantly impact the risk profile and insurance needs of private companies. Businesses in the market for management liability coverage must understand this and work with their advisor and carrier accordingly.

The buoyant and resilient economy has resulted in increased employment, but this could change with economic shifts. Factors like higher interest rates and businesses adjusting their workforce through reductions could lead to an increase in employment-related actions. Regulatory actions also tend to rise during these periods, with claims stemming from employment disputes. Similarly, claims related to breach of contract with clients and customers are also on the rise because of the economic landscape. All of these claims are often a result of business decisions such as right sizing the workforce rather than bad behaviors, but must still be defended and paid proper attention.

As technology plays an increasingly critical role in business delivery, IP disputes have become more prevalent as well. Determining the value of a company and establishing ownership of IP assets can lead to contentious disputes. Questions about whether a solution is proprietary or developed collaboratively with others often arise, further complicating the IP landscape.

Another noteworthy trend is the impact of M&A activities in the management liability insurance market. Companies entering or exiting the market, going public or undergoing mergers can be flashpoints for potential claims. Unhappy stakeholders post-transaction can lead to claims against management or board members.

EVENTS & WEDDINGS

The macro perspective of the wedding and event planning industry is vast, with a total worth of $70 billion.[6] The insurance landscape for weddings and events is marked by a unique set of considerations, driven by both economic factors and evolving trends.

Inflation will remain a significant factor in 2024. The economy has demonstrated remarkable resilience, leading to a rebound in the industry, but this recovery is tempered by the weariness of people's expectations around spending.

As the cost of living continues to rise, the value of the dollar for those planning weddings is diminishing. The growth in the aggregate spend in the wedding space is mainly driven by escalating vendor costs and other expenses.

This inflationary pressure is leading to a shift in behavior, with some individuals opting for longer engagements or delaying their nuptials. Destination weddings, which tend to be costlier, may also see a decline in popularity. Additionally, the size and scale of weddings may begin to rein in as people become more cost-conscious.

The wedding industry is large, but how much of this economic value is attributable to increased vendor costs and how much is driven by the weddings and events themselves? The delicate balance between these factors is a key consideration in understanding the financial dynamics of this industry.

6 The Wedding Report, Inc. "Complete Wedding Market Report," 2023.

THE VALUE OF THE SPECIALIST IN 2024

As we peer into the insurance industry's horizon for 2024, one resounding truth echoes through the shifting landscape of risk and insurance coverage: harnessing a specialist insurance carrier is more critical than ever before.

The specialist's role transcends mere policy issuance; it's about safeguarding your business against the unpredictable, the unforeseen and the ever-evolving challenges that define the unique characterizes of that specific market and industry.

Specialists provide more than just coverage; they offer unique expertise in risk management and policy exclusions key to that industry. Having the right risk management professionals at your side not only helps you mitigate potential losses but also enhances your overall risk posture. After all, the ultimate goal for everyone is to avoid losses, ensuring that both the insurer and the insured are aligned in their interests.

At the core of a specialist insurance carrier's role is a virtuous circle that combines the art of underwriting to tailor policy solutions to your specific needs with the right expertise to proactively manage and prevent potential losses.

PROTECTOR PLANS **MARKET REPORT**

Dental

NAVIGATING DENTAL INSURANCE TRENDS: A 2024 OUTLOOK

By Dr. Ty Galvin, Dr. Mike Gile, Mike Wensel and Corneilus Briscoe

The dental industry is experiencing significant shifts due to macroeconomic trends and changing patient behaviors. These include more general dentists performing procedures formerly in the realm of specialists; a generalized increase in patient dissatisfaction, leading to more litigation; a growing interest in cosmetic dermal procedures (like Botox); and the integration of new technology, particularly AI.

The world of dentistry, like many other industries, is not immune to the pervasive macroeconomic trends of our time. Inflation, staffing shortages and the higher frequency and severity of malpractice claims have all left their mark on the dental landscape.

The trend for the increased frequency and severity of dental malpractice claims is demonstrated by recent statistics. Between 2018 and 2022, an annual average of 1,164 malpractice claim payments were made in the U.S., with 27% of these exceeding $100,000.[1] This is a 15% increase over the previous 5-year period.

Here are four dental trends on the horizon in 2024 and how they intersect with these dynamics.

1 U.S. Department of Health & Human Services "National Practitioner Data Bank Data Analysis Tool," Accessed on September 24, 2023.

1. MORE GENERAL DENTISTS ARE PERFORMING PROCEDURES PREVIOUSLY REFERRED OUT TO SPECIALISTS.

The dental industry is undergoing a significant transformation as more general dentists are expanding the range of procedures within their practices. Examples of these changes include implant fixture placement, clear-tray orthodontics, All-on-4 type prostheses, in-office sedation, third molar extractions, and molar root canal treatments. General dentists can, and usually do, provide these services with excellent quality — with the proper training and experience.

Yet this shift toward formerly specialized procedures has insurance implications. When assessing dental claims, insurers must now consider whether general dentists are venturing beyond their traditional scope of practice. In an era of "procedure inflation," it becomes vital to determine if these dentists possess the requisite training and experience for the procedures they're performing.

Even periodontists, who undergo specialized surgical training, are not immune to claims, particularly when it comes to procedures like implants and extractions. Within the past three years, claims filed against periodontists have had a combined total payout of approximately $6.2 million.

A sub-trend on this topic is the uptick in claims when general dentists fail to refer patients to specialists, opting instead to perform more specialized procedures in-house (even if less qualified), due to the greater reimbursement rates for specialized procedures.

The following are some best practices dentists can follow to mitigate these risks.

ENSURE PROPER TRAINING

It's crucial for general dentists to have the necessary training for any procedures, especially specialized ones. Some DSO groups are proactively addressing this by creating training programs where specialists within the group mentor general dentists and the dentists-in-training have specific benchmarks to meet in their training. Multiple-weekend programs with follow-ups are available for learning how to place implants, for example.

SEEK MENTORSHIP

Having a more experienced dentist or mentor can help junior or general dentists enhance their skills and knowledge in practice. Engaging a mentor can provide guidance, oversee work, and offer valuable insights into best practices. Dental study clubs can provide excellent education as well as feedback while learning new procedures and integrating them into a practice.

WHEN IN DOUBT, REFER IT OUT

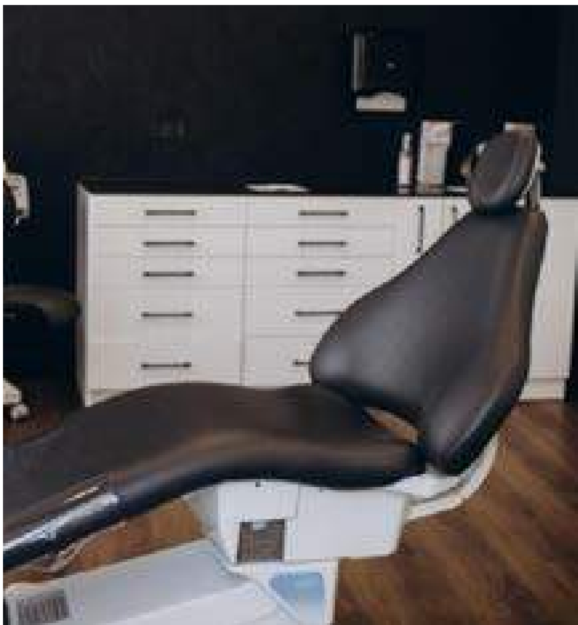
Recognize the importance of acknowledging your limitations and refer patients to specialists when faced with procedures or cases that fall outside your expertise.

MAINTAIN A STANDARD OF CARE

Dentists should ask themselves a critical question: "If I wouldn't perform this procedure on my family, should I do it on a patient?" This self-assessment is essential to uphold a high standard of care and ensure patients receive the best possible treatment.

COLLABORATE

Dentists should be open to working with specialists and other healthcare professionals, even if it means exposing their work to scrutiny. Collaborative efforts can lead to improved patient care and better outcomes.



2. PATIENT DISSATIFACTION IS LEADING TO MORE LITIGATION

Patient dissatisfaction is a leading factor attributed to the rise in litigation — not just in the field of dentistry, but across various industries. This trend is marked by the declining prevalence of pre-litigation notices, which used to provide an opportunity to resolve claims or settle out of court before formal legal action. Instead, clients are increasingly initiating lawsuits without prior communication or discovery.

One driving factor is the escalating cost of available dental procedures. Whereas the only option used to be a set of removable dentures for around $5,000, an “All-on-4” type prosthesis set entails significantly higher price ranges, ranging from $50,000 to $80,000. For this reason, patients may anticipate higher compensation in cases involving substantial dental bills, lengthy treatment plans, and unmet higher expectations.

This trend places increased responsibility on dentists and practice owners to closely monitor and update their insurers regarding dental record requests and any incidents — even small — as they may foreshadow impending claims or lawsuits. The provider should consult with their local agent to determine a path of action.

The shift in patient behavior is also influenced by challenging patients with unrealistic expectations and a reduced appreciation for the dental profession. In response, dentists may need to go the extra mile to ensure patient satisfaction or, in some cases, consider parting ways with difficult patients.

An example of this trend is the increase in claims related to high-cost implant failures. These cases often involve extensive dental work with significant fees, and when implants fail, patients may turn to litigation to seek recourse. Ultimately, a strong dentist-patient relationship is crucial for successful treatment and patient satisfaction

Here are some best ways to improve patient satisfaction:

PERFORM THOROUGH MEDICAL EVALUACTIONS

Dentists should conduct comprehensive medical evaluations themselves, including taking diagnostic X-rays and, if necessary, order a cone beam computed tomography (CBCT) scan. When making a prognosis, it’s also recommended dentists only choose cases they believe will have a high likelihood of success; if uncertain, refer the case to a specialist.

ENGAGE IN THOROUGH TREATMENT PLANNING

This includes collaborating with dental labs to create a mock-up of the desired result. Planning ensures a clear treatment goal from the outset, enhancing the chances of a successful outcome. Documentation of essential factors like patient approval of teeth shade, shape, bite comfort and facial esthetics is excellent risk management.

COMMUNICATE EFFECTIVELY

Dentists should allocate extra time to discuss cases with patients and clearly convey their treatment recommendations to alleviate any potential concerns and establish trust. It’s crucial for dentists to dictate the treatment plan; when patients dictate decisions, it increases your risk.

EMPATHIZE WITH PATIENTS

Whenever possible, sympathize with patients and strive to keep them satisfied. In cases of patient dissatisfaction, try to ensure that patients leave with a positive experience, even if that means issuing a refund.

DOCUMENT THOROUGHLY

Detailed documentation of all interactions, evaluations and treatment planning is critical to protect against potential litigation. You may need those documents in the future as proof of your proper process and procedure.

INVITE STAFF TO OBSERVE

Keep staff members present for observation during critical phases of patient care to provide additional support and to document interactions.

OBTAIN WRITTEN ACCEPTANCE FROM PATIENTS

This includes informed patient consent sign-offs at key milestones, such as try-in and case delivery. These written records can be vital in the event of a dispute.

CONSIDER DISMASSAL

In situations where communication and trust have deteriorated to an irreparable level, it may be necessary to consider dismissing a difficult patient. Dentists should watch for chemistry mismatches, red flags or patterns of past treatment failures. A candid conversation about the trust between the patient and the dentist can lead to the

3. MORE DENTISTS ARE CONSIDERING PROVIDING COSMETIC DERMAL

Cosmetic dermal procedures present an opportunity for dentists to expand their services and monetize their practices further by offering procedures beyond traditional dental work, such as Botox and dermal fillers. Generally, if dentists receive adequate training, state departments of health permit them to offer these services. However, the extent of training and the specific requirements can vary from state to state.

In one recent insurance claim, a dentist administered Botox for cosmetic purposes on a staff member as a favor; due to a lack of proper training and expertise, the procedure went awry. The patient experienced facial paralysis, leading to a significant payout of $250,000.

Here are some best practices for dentists who opt to add cosmetic dermal procedures to their list of services:

ENSURE STATE BOARD COMPLIANCE

Dentists should thoroughly research and understand the regulations and guidelines set forth by their state board of dentistry.

OBTAIN COMPREHENSIVE TRAINING

Adequate training ensures that dentists and, if allowed, their dental hygienists, can perform cosmetic dermal procedures safely and effectively. Many states permitting Botox administration mandate the successful completion of a hands-on course that encompasses both Botox and dermal filler administration, totaling at least 20 hours in duration.[2]

SEEK GUIDANCE

Look for mentorship and coaching from experienced professionals in the field. safely and effectively.

2 RDH magazine “The buzz about Botox: What dental hygienists need to know,” August 6, 2023.

4. THE USE OF NEW DENTAL TECHNOLOGY IS ON THE RISE

Technology use, including artificial intelligence (AI), is transforming various aspects of the field. AI algorithms are being developed to analyze dental images, such as radiographs and intraoral scans. This technology helps dentists detect and diagnose oral diseases with higher accuracy and efficiency. It can be particularly helpful for newer dentists and can significantly improve diagnostic accuracy. AI-based software also helps dentists in treatment planning by analyzing patient data, case histories and treatment outcomes.

AI algorithms analyze extensive patient data, enabling the detection of patterns and the prediction of future oral health issues. This empowers dentists to take a proactive approach to healthcare, providing individualized treatment strategies and implementing preventative measures.

For liability reasons and superior patient care, however, the dentist is obligated to evaluate the AI suggestions/analyses and form their own conclusions and treatment plans. AI is a tool, not an oracle.

Others are looking into the use of robotics to automate repetitive tasks in dentistry, including implant placement, tooth preparation and orthodontic adjustments. Dentists are also increasingly using immersive technologies for patient education and treatment visualization. Some of the technology can place digital information onto real environments to help dentists during procedures.

Dental practices are also employing AI-driven virtual assistants to streamline administrative tasks. AI assistants can handle patient communication, appointment scheduling, and billing processes to lessen administrative burdens and increase overall practice efficiency. AI is also being explored for chart notes, making it more efficient and comprehensive in documenting patient records and treatment plans. The software can walk through the charts and check boxes instead of writing descriptions. This technology encourages a more thorough evaluation of patient situations, which is crucial in dentistry.

Here are some best practices dentists should consider when implementing technology into their business:

OVERSEE THE TECHNOLOGY

While leveraging new and advanced technology, it's crucial to remember that a qualified dentist is still indispensable to review and analyze the findings generated by these tools. Technology can assist and enhance dental processes, but the final decision and patient care remain the responsibility of the dentist.

TEST-DRIVE NEW TOOLS

Whenever possible, dentists should choose new technology and AI tools that they have had the opportunity to test out and evaluate. This hands-on experience ensures that the chosen tools align with the specific needs and workflow of the dental practice.

DO YOUR RESEARCH

This includes exploring websites that review the technology and relying on firsthand referrals from other trusted dentists within the industry. Insights and experiences from peers can be invaluable in making informed technology choices.

2024 & BEYOND

Dentistry, like many other fields, is undergoing significant transformations. 2024 will be no different. Understanding the current trends and having best practices to address those trends will be crucial to prepare for the unknown future.

For more dental industry insights, visit our blog.

PROTECTOR PLANS **MARKET REPORT**

Lawyers

LAWYERS OUTLOOK:
TOP 4 LEGAL INSURANCE TRENDS FOR 2024

By Christina Casals Melia and Missy Rodriguez

Key trends next year for law firms include new market entrants, growing cyber risks, practice shifts in law firms, and post-COVID retiring lawyers, and a surge in the occupation's growth. Find out how all of this will affect you and your insurance coverage in 2024..

The legal industry is on the brink of significant growth, with more lawyers entering the field. Employment of lawyers is projected to grow 8% from 2022 to 2032 — faster than any other occupation.[1] This expansion is driven by increased demand for legal services from individuals to businesses and government entities.

Economic downturns, such as those witnessed during the pandemic, have compelled law firms to diversify their practice areas. For example, firms focusing on real estate are exploring new areas of legal practice in the face of a decline in closings. Shifting to new practice areas potentially opens the door to new claims.

In parallel, the insurance market for lawyers is adapting to meet the diverse needs of the legal profession. Small law firms (under 10 attorneys) predominantly rely on managing general agents (MGAs) or state/local bar association endorsements, while mid-sized firms (11-100 attorneys) are becoming a focal point for lawyers professional liability underwriters. Without the claims volatility of the large segment, mid-sized firms are shopping for per attorney rate reductions and expanded coverages.

Here are the emerging trends in the legal and insurance sectors for 2024, offering insights into how the legal industry is evolving to meet the demands of a changing world.

1 U.S. Bureau of Labor Statistics "Occupational Outlook Handbook, Lawyers," September 6, 2023.

TOP 4 RISKS AND INSURANCE TRENDS FOR LAWYERS IN 2024

1. GROWING CYBER EXPOSURE

The legal insurance market is witnessing a concerning trend: a mounting exposure to cyber risks for lawyers. Recent global cyberattacks have targeted some of the world's largest law firms, illustrating the vulnerability of even the most substantial legal entities. In fact, 27% of law firms have experienced security breaches.[2]

In today's interconnected society, where lawyers handle vast amounts of sensitive data, a data breach is a risk no one can afford to ignore. Wire transfer fraud, often not covered by professional liability policies, adds another layer of vulnerability. Some professional liability carriers are scaling back or excluding cyber coverage, necessitating separate cyber insurance.

Ransomware attacks, especially prevalent in smaller law firms, can be financially crippling. Given these evolving cyber threats, lawyers must invest in specialized cyber insurance, as not all professional liability policies labeled "cyber" provide comprehensive protection. Proactive risk management measures, like two-step authentication and verification, are essential to fortify defenses.

Ultimately, the increasing cyber risk exposure in the legal profession underscores the need for lawyers to secure separate, comprehensive cyber insurance and implement robust risk management practices to protect sensitive client data and maintain trust in this digitally connected world.

2. AGING LAWYERS AND RETIREMENT

It's a good thing law is the fastest growing occupation because a significant number of lawyers have recently retired post-COVID, a trend that is more widespread than initially anticipated. In fact, 47% of lawyers said the pandemic played a role in their decision to retire.[3] To cater to this trend, insurance carriers are offering individual attorney retirement tail coverage. Lawyers considering changing carriers should be mindful of the potential implications, as they may need to have been with their current carrier for a specified period of time to qualify for Retirement tail benefits. Furthermore, some lawyers may not receive detailed coverage options from a general agent, necessitating a more tailored approach at retirement.

3. 4 CLAIM TRENDS FOR 2024

The four claims trends below encompass a wide range of legal practice areas, emphasizing the need for lawyers to stay informed and adapt to the evolving insurance landscape in the coming year.

Real Estate Challenges

We will continue to see an upswing in real estate claims — notably title errors and foreclosures — likely spurred by the increased volume of real estate transactions following the post-COVID era. Additionally, law firms specializing in condo/HOA laws will continue to grapple with the complexities of new compliance regulations, placing added pressure on real estate law firms representing these entities and their boards.

2 American Bar Association "2022 Legal Technology Survey Report," November 9, 2022.
3 ABA Journal "2021 state of the profession report shows how COVID-19 affected older lawyers' retirement plans," July 29, 2021.

Commercial Business Claims

The aftermath of the pandemic has witnessed the closure of numerous businesses, including restaurants and small enterprises reliant on foot traffic. This has given rise to a spectrum of commercial business claims, ranging from bankruptcies to breach of contracts and disputes leading to partnership dissolutions. Many of these claims can be attributed to the economic strains introduced by COVID-19 and will continue through 2024. As this trend continues into 2024, it is anticipated that foreclosure claims may also increase due to evolving financial conditions in the real estate market.

Probate Trust Challenges

The legal landscape is witnessing an increase in probate trust claims, which tend to carry long-tail exposures. As the Silent Generation and the baby boomers pass away, the individuals appointed as trustees are uncovering errors in wills and probate trusts. The transfer of wealth has increased the fighting between beneficiaries dissatisfied with their inheritance. Attorneys are often brought into these disputes, which leads to an increase in claim activity.

Late Reporting of Claims

There has been a growing issue with lawyers delaying the reporting of claims. This phenomenon has gained prominence in recent times, with some lawyers only reporting claims to insurers when there is no other recourse. For instance, lawyers may decide to self-defend for an extended period before reporting a claim. This trend has implications for potential claims denial and policy rescission. Additionally, late reporting of claims will impact premium costs and future coverage options, as policy applications often inquire about undisclosed claims or ongoing claim-related matters, highlighting the importance of timely reporting.

4. FLOOD OF NEW INSURANCE CARRIERS INTO THE MARKET

The insurance market for lawyers is currently experiencing a significant surge in new entrants, marking a notable shift as we look ahead to 2024. Established carriers are re-evaluating their roles, with some transitioning into MGAs, while others specializing in excess and surplus (E&S) lines are venturing into the realm of admitted insurance. This newfound dynamism reflects a broader transformation in carriers' appetites, encompassing the expansion of coverage offerings, entry into new market segments, policy enhancements and reconfigurations of MGA-carrier relationships.

While this influx of market entrants promises more choices for law firms, it also intensifies competition for the same coverage. As a result, the legal insurance market is softening. For example, the insurance market in Florida has been disrupted by fluctuating rates and withdrawals from property lines. Carriers are diversifying their lines of business to compensate for these challenges, entering and exiting property coverage as conditions evolve. New entrants and those that want to survive in 2024 and beyond will have to make it easier for lawyers to rate, bind and quote insurance policies, from E&O to cyber.

This shifting landscape is not lost on legal professionals who are grappling with rising insurance costs, both personally and professionally. The softening of the professional liability market, which contrasts with the hard property market, is prompting individuals and firms to re-evaluate their insurance needs.

As a result, many insureds are actively seeking premium savings, a behavior not as prevalent in the past. This trend is creating an environment where firms are more price-conscious and prone to shop for the best deals, even if it means switching carriers without a full understanding of the coverage and benefits they are giving up.

2024 & BEYOND: ACTIVELY MANAGE YOUR RISK

In an era marked by compliance trends and evolving laws, it's essential for individual attorneys and law firms alike to recognize the importance of due diligence and risk management. By actively mitigating risks and making informed decisions based on current and expected trends, one can reduce the need to heavily rely on insurance coverage alone. The goal should be to elevate your business and make it a top-tier law firm through both rigorous risk management practices and robust risk transfer.

PROTECTOR PLANS MARKET REPORT

Executive Liability

STATE OF THE EXECUTIVE LIABILITY INSURANCE MARKET 2024

By Greg Boornazian and Ben Young

The directors & officers (D&O) marketplace has transitioned from the hard market of 2021 and 2022 to a more dynamically competitive landscape. Higher levels of competition mixed with economic factors such as inflation and interest rate uncertainty for insureds and insurers alike are the hallmarks of our current environment.

Many carriers are now offering flat renewals on primary D&O. The employment practices liability (EPL) insurance market has stabilized as well, but the Equal Employment Opportunity Commission's (EEOC) proactive stance may lead to increased employment discrimination litigation and eventually a return to upward pressure on EPL premium and retention nationwide. Additionally, excess competition is high, with brokers looking to save money for their clients though robust competition in excess layers.

Other trends we have an interest in include a potential rise in AI-related litigation, EPL claims in hybrid work environments, employee classification changes and compliance challenges under the Corporate Transparency Act (CTA). Most private and not-for-profit underwriting teams are also questioning when will the initial public offering (IPO) market reignite? The sedate IPO and special purpose acquisition companies (SPAC) market of the last several quarters has left both carriers and brokers looking to shift focus back to the upper middle-market private space to fill gaps in budgeted revenue. A return of IPO activity may draw the attention of public-geared teams away from the larger middle market private space.

While the market transitions, we are seeing some contradictory indicators such as less-well-capitalized carriers pulling out of the D&O space after opportunistic runs; managing general underwriters switching carriers; and ongoing adjustments to underwriting guidelines by account geography, specifically in parts of California, Illinois, Nevada and New York.

Let's dig a little deeper into the potentially market moving impact the EEOC's Strategic Enforcement Plan may have at a more rapid pace than under prior administrations.

THE EEOC'S STRATEGIC ENFORCEMENT LAN FOR 2024-2028 COULD INCREASE EPL CLAIMS

The EEOC has been more proactive in combating employment discrimination in the last few years. The Commission resolved over 65,000 discrimination charges and secured over $513 million in monetary benefits in fiscal year 2022, a trend that trend has continued in 2023, when 50% more EPL claims were filed over 2022.[1] These trends may support premium or retention increases in various higher-risk venues around the country, as reflected by an overall increase in EPL premiums of 3% to 7% in early 2023.[2]

Against this backdrop, the EEOC has outlined a comprehensive Strategic Enforcement Plan for the years 2024-2028,[3] focusing on key areas to promote equal employment opportunities and combat discrimination. These areas include:

ELIMINATING BARRIERS IN RECRUITMENT AND HIRING

The EEOC plans to combat practices that disproportionately affect certain groups and work toward more inclusive hiring procedures.

PROTECTING VULNERABLE WORKERS AND PERSONS FROM UNDESERVED COMMUNITIES

The EEOC is looking to ensure workers are not subjected to employment discrimination, including individuals in underserved communities by providing them with equitable opportunities in the workplace.

ADDRESSING NEW, EMERGING ISSUES

The EEOC will focus on emerging issues, such as the use of artificial intelligence in employment decisions, the impact of long COVID on the workforce, and enhancements to pregnancy-related protections, to ensure that these new challenges are met with appropriate legal protections.

ENFORCE EQUAL PAY LAWS

The EEOC will continue its commitment to enforcing equal pay laws, emphasizing the importance of equal compensation for all employees regardless of gender or other protected characteristics.

ACCESS TO THE LEGAL SYSTEM

This includes addressing issues related to waivers, non-compete clauses, non-disclosure agreements, and ensuring that employers fulfill their obligations to maintain employee records required by statute or EEOC regulation.

PREVENTING HARASSMENT THROUGH SYSTEMIC ENFORCEMENT AND TARGETED OUTREACH

This includes holding employers accountable for fostering a workplace culture that is free from harassment and discrimination.

1 U.S. Equal Employment Opportunity Commission "EEOC Announced Year-End Litigation Round-Up for Fiscal Year 2023," September 29, 2023.
2 CBIZ "The Current State of the Employment Practices Liability (EPL) Insurance Market | Property & Casualty," Accessed October 29, 2023.
3 U.S. Equal Employment Opportunity Commission "Strategic Enforcement Plan Fiscal Years 2024 – 2028," Accessed October 29, 2023.

4 ADDITIONAL EXECUTIVE LIABILITY CLAIM TREND DRIVERS TO KEEP AN EYE ON

Several significant trends are emerging in Executive Liability claims across coverage lines:

1. LITIGATION TRENDS ARISIGIN FROM AI INTEGRATION

As AI solutions become more integrated into various business processes, a range of litigation trends are likely to emerge. Some early lawsuits may allege financial losses incurred by parties whose content has been incorporated by AI aggregation. For instance, content creators and news companies might claim that their information has been used in AI algorithms without proper compensation. These cases could involve claims for copyright infringement or intellectual property (IP) violations.

To address the evolving landscape of AI-related litigation, D&O policies may need to be revised to clarify the extent of coverage in cases involving IP disputes related to AI technology.

Insurers may consider pushing for exclusions across all insuring clauses in policies, either on an absolute basis or with specific language regarding AI-related liabilities. This might involve defining what is and is not covered when it comes to AI-related claims.

With AI becoming ubiquitous across various industries, smaller and less well-capitalized startups relying heavily on AI technology may face increased vulnerability to IP-related lawsuits. The cost of defending against such lawsuits can be substantial, potentially pushing these startups towards bankruptcy.

2. EPL CLAIMS INFLUENCED BY THE EVOLVING LANDSCAPE OF HYBRID WORK ARRANGEMENTS

Implementing hybrid work arrangements may lead to an uptick in employment discrimination litigation. Employees working remotely or on different schedules may perceive inequities in opportunities or promotions compared to those in the office. Conversely, organizations imposing return-to-office mandates may face legal challenges from employees who prefer remote work or have specific health concerns. Additionally, if leadership preferences heavily influence in-office versus remote work arrangements, this could lead to perceived inequities that fuel employment discrimination claims.

While there might be a decrease in sexual harassment claims due to less frequent in-person interactions in a hybrid workforce, there may be a corresponding increase in failure to promote litigation. Employees may perceive discrimination in promotion decisions when working remotely, and this could become a focal point of claims. Additionally, employees working remotely may have less solid business etiquette skills, even after training, which could ultimately affect the company negatively.

3. CLAIMS RELATED TO CHANGES IN EMPLOYEE CLASSIFICATION RULES AND THEIR ENFORCEMENT

Businesses should be prepared for aggressive changes in rules governing the classification of workers as either independent contractors or employees. This shift is likely a response to the evolving work landscape and new Department of Labor (DOL) rule proposals introduced in October 2022.[4] This shift may result in stricter criteria for classifying workers as independent contractors.

There's a shift from traditional control tests to a consideration of economic dependency. This shift introduces complexity in the classification process and may impact a wide range of insured entities in the years to come.

To mitigate exposure to employment litigation in an environment characterized by changing technology and legislation, employers can adopt several practices, including careful hiring and onboarding; ongoing compliance; documentation; consulting legal experts; and educating management.

4 U.S. Department of Labor "U.S. Department of Labor Announces Proposed Rule on Classifying Employees, Independent Contractors; Seeks to Return to Longstanding Interpretation," October 11, 2022.

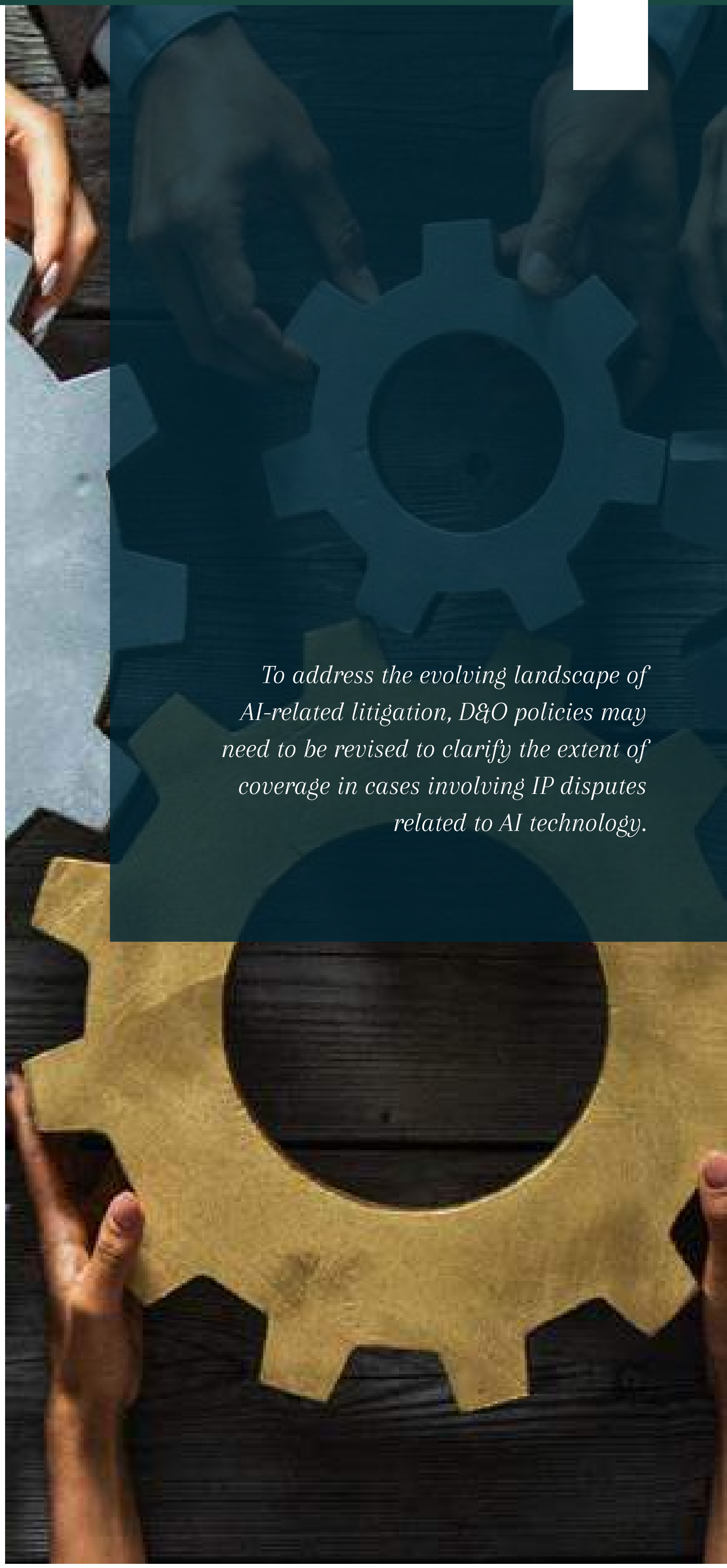
4. SHIFTING COMPLIANCE LANDSCAPE

Passed by Congress in 2020, the 2024 Corporate Transparency Act introduces entirely new exposures for businesses, particularly in the realm of anti-money laundering. This law significantly impacts reporting obligations for more than 20 million private organizations, with the prospect of civil and criminal penalties for non-compliance.

Under the CTA, businesses are required to file a beneficial owner report with the Financial Crimes Enforcement Network (FinCEN). FinCEN will use this information to create a non-public database of beneficial ownership information (BOI). The primary goal is to eliminate corporate anonymity and uncover hidden money laundering tactics.

Compliance with the CTA is not without its challenges. Several complicating factors include:

- *The CTA is a federal law that relies on state business distinctions, creating potential confusion, as states may have varying rules and regulations.*
- *Businesses must accurately determine who the beneficial owner(s) are, which can be a complex task, especially in large or complex organizations.*
- *Establishing secure and efficient processes for collecting and transmitting the required identifying information and documentation within the timelines mandated by the law is essential.*



To address the evolving landscape of AI-related litigation, D&O policies may need to be revised to clarify the extent of coverage in cases involving IP disputes related to AI technology.

PREPARING FOR CHANGE IN 2024 & BEYOND

Has your business lost coverage during the hard market that you want to get back? Could you obtain valuable coverages relevant to your company if your organization is willing to look at slightly higher premium options? Has your company experienced upward premium pressure with no corresponding increase to your underwriting exposure? Are your limits adequate for the current inflationary environment?

To prepare for the changing executive liability insurance environment, business owners can review and assess coverage needs with their brokers and seek out a competitive quote from Protector Plans Executive Liability.

PROTECTOR PLANS

PROTECTOR PLANS **MARKET REPORT**

Claims

4 INSURANCE CLAIMS TRENDS TO WATCH IN 2024

Understanding current claims trends is key to reducing your losses in the coming year.

Inflation may have peaked last year, increasing the cost of property and casualty (P&C) claims by 5% to 7.5%[1] , but pressures are not likely to ease in 2024, as non-economic factors such as social inflation and increased loss frequency continue to impact risk trends.

Risk has been building for years, with a steady climb of nuclear verdicts (a jury verdict of $10 million or more) and their median payouts increasing 27.5% in the last 13 years, far outpacing inflation.[2]

As a business or practice owner, the best way to avoid such destructive losses is to understand current claim trends and the proper risk management practices to avoid or resolve them.

1 Swiss Re Institute "Inflation may be easing, but claims severity pressures in P&C are likely to remain," March 20, 2023.
2 U.S. Chamber of Commerce Institute for Legal Reform "Nuclear Verdicts: Trends, Causes, and Solutions," September 2022.

TOP 4 CLAIMS TRENDS TO BE AWARE OF HEADING INTO 2024

1. SOCIAL INFLATION IS INCREASING LITIGATION FREQUENCY AND SETTLEMENT RANGES

Nuclear verdicts are one of the largest contributors to social inflation. While escalating healthcare costs can lead to larger payouts for medical claims, particularly in cases involving malpractice or catastrophic injuries, public sentiment and perceptions of fairness, especially among younger generations, are influencing the outcome of lawsuits and raising the size of average settlements. For example, 72% of people believe that a case has some merit if it makes it to court and 45% of jurors admit to sympathy affecting their attitude about a lawsuit.[3]

The general public is becoming desensitized to the large jury rewards as well, adding in lawyer fees to a damages award even if a judge tells them not to.[4] In our experiences, insurers and business owners now need to be on alert that cases previously valued at $1 million to $2 million could result in verdicts possibly exceeding $10 million.

2. PRIVATE EQUITY FUNDING IS LENGTHENING LEGAL TIMELINES AND INCREASING NUCLEAR VERDICTS

Companies committed $3.2 billion to financing commercial lawsuits in exchange for a cut of the rewards last year, a 16% increase and the largest jump this decade.[5] Investment is expected to continue to grow, potentially reaching $31 billion by 2028.[6]

Also referred to as third-party litigation financing, when private equity funding covers the costs of legal cases that result in disrupting settlement patterns by changing the financial dynamics and motivations of plaintiffs and their attorneys.

With private equity backing, financial motivation shifts, potentially affecting the pace at which cases are resolved. Any pressure to settle may quickly decrease as well because the plantiff's attorneys have access to more resources.

While third-party financing can be quite lucrative for the plaintiff's attorneys and their funders — producing internal rates of return upward of 25%[7] — it can lead to larger payouts and defense costs for insurers and insureds.

3. TECHNOLOGY IS CHANGING HOW TRIALS PAY OUT

The financial resources provided to attorneys through third-party financing have helped transform traditional legal proceedings into multimedia presentations designed to impress and enchant juries. Defendants, typically on the insurance or business side, often lack similar resources.

Technology is a significant contributor to the rising cost of litigation. Plaintiff firms are spending upwards of $100,000, in our experience, on high-impact productions of evidence and equipping jury members with tools such as iPads to increase engagement in their presentations. While these tools do not enhance the validity of their case, they can be highly distracting and impressive to jurors.

In cases involving professionals, it's rare to have someone from the same professional background sitting on the jury. For instance, if a lawyer is on trial, it's unlikely that there will be

3 Swiss Re Institute "US litigation funding and social inflation: The rising costs of legal liability," December 2021.
4 Ibid.
5 Reuters "Litigation funders deployed $3.2 bln in U.S. investments last year - report," Feb. 16, 2023.
6 Ibid.
7 Swiss Re Institute US litigation funding and social inflation: The rising costs of legal liability," December 2021.

lawyers among the jurors. This lack of specialized knowledge can work in favor of the plaintiff, especially when combined with these "shock and awe" technological tactics.

For example, one tactic firms are employing for medical cases is providing digitized 3-D representations of x-ray results that can be rotated and manipulated in real time. Jurors without professional expertise may find these visually engaging presentations highly persuasive, leading to a potential bias in favor of the plaintiff's arguments.

4. IMPATIENCE AND SOCIAL INFLATION ARE LEADING PLANTIFFS STRAIGHT TO TRIAL

The initial pre-litigation notice — before a court filing and subsequent records subpoena — is no longer a given. More than ever before, insureds are being drawn into a lawsuit without the opportunity to resolve a claim or settle out of court.

How does this happen without any foresight or discovery? Clients either request their own records from the business, which avoids sending a red flag that an attorney is involved; or attorneys bypass the records request and go directly to filing a lawsuit.

For situations involving substantial medical bills, high financial losses or strong community sentiment, plaintiffs and their attorneys may anticipate higher award compensation. This can incentivize them to bypass pre-suit negotiations and proceed directly to litigation, hoping for a larger payout.

Another factor driving plaintiff impatience is the cost of procedures. What once cost between $5,000 and $10,000, including cosmetic dentistry and routine treatments for example, now costs significantly more, sometimes reaching $50,000 to $80,000. As a result, individuals are opting to litigate rather than navigate the claims process.

Business and practice owners must now be more vigilant in tracking and updating their insurers on medical record requests and incidents as they may likely be tied to an upcoming claim and/or lawsuit.

WHAT'S NEXT? 2024 & BEYOND

There is a growing concern about potential claims and allegations that could arise against healthcare professionals who utilize or rely on artificial intelligence (AI)-driven technologies, and insurers are now faced with the challenge of incorporating these considerations into their policy underwriting.

For example, AI can be used in the processing and analysis of Cone Beam Computed Tomography (CBCT) images in dentistry. While this technology could enable early detection and diagnosis of potential cancers of the mouth and more, is a missed detection vulnerable to legal action? This same tactic may be used to mitigate potential liability concerns in cases where AI-based diagnoses may come into play.

Although the trends outlined above show no signs of dissipating, many of these scenarios can be avoided if you learn how to spot them early and exercise proper risk management as a precaution. For guidance on how to manage risk as it pertains to your business or practice, contact Protector Plans.

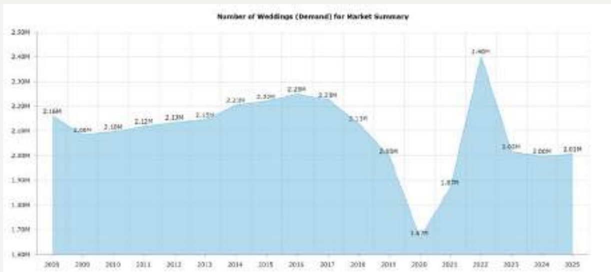
PROTECTOR PLANS MARKET REPORT

Wedding

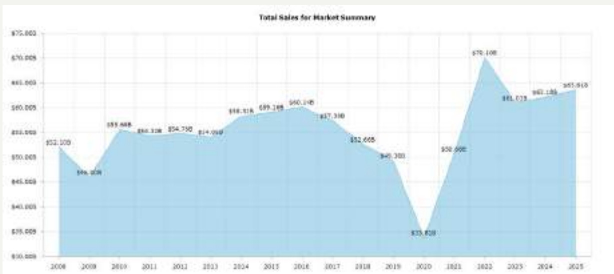
LOOKING AHEAD:
2024 WEDDINGS AND EVENTS INDUSTRY OUTLOOK

By Meagan Phillips

The U.S. event planning market has a positive outlook for 2024, with weddings and celebrations making a strong return despite rising costs. Insurance coverage will be an important part of the equation in mitigating potential disruptions, as there are several challenges related to inflation, extreme weather, and COVID-19.



Source: the Wedding Report



Source: the Wedding Report

In 2024, Americans are projected to plan nearly 2.5 million weddings,[1] marking a return to pre-pandemic levels, and contributing to the growth of the now $70 billion wedding industry. Industry research firm The Wedding Report estimates that tying the knot in 2024 will cost $31,118 on average. Additionally, a resurgence in other special events such as birthdays, anniversary parties, wedding showers, and more is anticipated, with spending expected to rise across the board.

1 CNN Business "After 2023 wraps up, get ready for a spike in marriage proposals," September 17, 2023.

SPENDING IS EXPECTED TO INCREASE

Wedding spending is anticipated to continue increasing.[2] This is due in part to a surge in costs primarily driven by inflation, affecting various aspects of wedding planning including florals, labor, food, and transportation.

Despite economic uncertainties, couples are still choosing to wed but are adopting cost-conscious strategies. Many are opting for reduced guest lists while maintaining the same price tag, prioritizing experiences such as exceptional food and unique elements, as the pandemic has reshaped traditional wedding norms.[3]

Source: the Wedding Report

WEDDING CLAIMS TRENDS

With the cost of weddings and events going up, event organizers should be on even higher alert than usual about the potential risks involved. Couples planning weddings often face many unexpected challenges. What follows are the three most common insurance claims to be aware of:

Vendor Issues

In 2022, it was reported that 31% of paid wedding insurance claims were due to vendor-related problems, making it the most common issue. Economic uncertainties have increased the risk of vendors going bankrupt or failing to fulfill their contracts, potentially causing couples to lose deposits and incur additional expenses. While venues often require liability insurance, it doesn't cover vendor cancellations, making wedding insurance a crucial safeguard. Wedding insurance can cover losses up to $500,000, depending on the state, and can be purchased up to two years in advance.

Property Damage to the Venue

That same year, property damage to the venue accounted for 19% of paid wedding insurance claims. This damage can result from accidents during the wedding reception, such as spilled wine or injuries on the dance floor. Many venues require liability insurance to protect both the venue owner and the couple. Additionally, some venues require host liquor liability coverage for alcohol-related incidents. Wedding insurance can cover accidents, property damage, and bodily injuries during the rehearsal, wedding ceremony or reception and post-wedding brunch.

Illness and Injury

Accounting for 15% of paid claims, illness and injury can lead to wedding cancellations or postponements. Wedding insurance provides peace of mind and protection against these common claims, offering coverage for various aspects of the wedding, from the ceremony and reception to the rehearsal and more. The Wedding Protector Plan offers comprehensive coverage without a deductible and the option to add liability coverage to ensure a smooth wedding experience.

2 Zippia "20+ Trending U.S. Wedding Industry Statistics [2023]: How Big Is the Wedding Industry," March 14, 2023.
3 Civic Science "Americans Aren't Looking to Break the Bank This Wedding Season," February 27, 2023.

CAT EVENTS AND CLAIMS CONTINUE TO TREND UPWARD

Severe weather-related claims have consistently been among the top five most paid claims for weddings, but the frequency and severity of these claims are on the rise, particularly regarding issues like extreme heat.

Weddings held during the summer and fall months are at greater risk due to catastrophic weather conditions such as hurricanes, tornadoes, wildfires, and extreme heat. Couples are now factoring severe weather into various aspects of their wedding preparations, including the choice of venue, selecting florals and cake icing that can withstand the climate, ensuring attendee comfort, and dealing with travel complications for wedding guests.

This trend may lead to a potential decline in the popularity of summer weddings. Planners are noticing a decrease in September/October weddings due to concerns about hurricane risks, as these events can affect not only the wedding itself but also travel plans for family members, especially elderly guests.[4]

4 The New York Times "'It Was Pretty Miserable': Planning a Wedding Amid Climate Change," August 19, 2023.

DESTINATION WEDDINGS ARE MAKING A RETURN

Since the pandemic, there has been a significant increase in destination weddings. Couples are increasingly choosing to host their weddings in exotic or picturesque locations, often away from their hometowns.[5]

The global destination wedding market increased from $21.31 billion in 2022 to $28.31 billion in 2023. Projections indicate that this market is expected to continue expanding significantly, reaching an estimated value of $78.89 billion by the year 2027.[6]

Of course, the locations of these destination weddings are often in the same places where catastrophic weather conditions are often found. While wedding insurance may be limited in far-flung areas, travel insurance may help to reduce some of the financial risk.

COVID-19 CONTINUES TO CHALLENGE WEDDING AND EVENTS

The ongoing impact of COVID-19 on weddings and private events remains a significant concern. The resurgence of the virus and the emergence of new variants have raised questions about how they may affect weddings and travel, reminiscent of the challenges faced in 2020. In 2020, 21% of couples postponed their weddings to later in the year and 41.5% moved them to the next year.[7]

Notably, all special event insurance providers have responded to these uncertainties by introducing pandemic exclusions, which eliminate coverage for issues related to COVID-19 that were previously included in wedding insurance policies.

During the peak of the pandemic, there were no such exclusions, and some insurance policies provided payouts for affected weddings.[8] However, the situation has evolved, and now exclusions are in place. For example, if the bride, groom, or their parents contract COVID-19, it is no longer considered an insurable peril.

This trend underscores the changing landscape of wedding insurance and the need for couples to carefully consider their coverage options, especially in light of the ongoing uncertainties surrounding the pandemic's impact on wedding plans and the flexibility of vendors.

5 The Knot "What is a Destination Wedding? Here's What it Looks Like in 2023," February 22, 2023.
6 Axios "Destination weddings are booming," July 30, 2023
7 The Wedding Report, Inc. "2020 Covid-19 Wedding Market Impact," Accessed September 28, 2023.
8 The New York Times "Buying Wedding Insurance During the Pandemic," September 10, 2020

WHAT 2024 IS RINGING IN FOR SPECIAL PRIVATE EVENTS

In the upcoming year, the event planning market in the U.S. shows promise, with weddings and celebrations making a strong comeback. However, private event organizers should remain vigilant as costs rise due to inflation, prompting couples to adopt cost-conscious strategies. Insurance coverage will become increasingly essential to mitigate potential disruptions, with common claims such as vendor issues, venue damage, severe weather, and illness or injury warranting attention. With prudent planning and adequate coverage, couples can ensure that their celebrations are memorable and worry-free in the face of evolving uncertainties.

For guidance on how to manage wedding and event associated risks, contact B&B Protector Plans.

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