

# LSC TREASURERS' MEETING INSURANCE DISCUSSION



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# *Key Discussion Points*

- Program Overview
- Insurance Market challenges
- Opportunities





# INSURANCE



# *Insurance Program*

- General Liability
- Auto Liability
- Crime
- D&O
- EPL

OPTIONAL TEXT



# LSC Insurance Program details 2020

	Limits	Retention	Covered	Exclusions
GL	\$11mn	\$0	<ul style="list-style-type: none"> <li>• Premises Liab</li> <li>• Sexual Abuse</li> <li>• Officials at Observed Meets</li> </ul>	<ul style="list-style-type: none"> <li>• Intentional Acts</li> <li>• Workers Comp</li> <li>• Med Pay to volunteers/members</li> </ul>
Auto	\$1mn	\$0	<ul style="list-style-type: none"> <li>• Hired, borrowed, non-owned up to \$70,000</li> </ul>	<ul style="list-style-type: none"> <li>• Sound (personal) equipment</li> </ul>
Crime	\$100,000	\$25,000	<ul style="list-style-type: none"> <li>• Employee theft</li> <li>• Computer theft and funds transfer fraud</li> </ul>	<ul style="list-style-type: none"> <li>• Unrealized Income</li> <li>• Warranties required (Dual signatures, split responsibility)</li> </ul>
D&O/EPL	\$1mn	\$1,000	<ul style="list-style-type: none"> <li>• Management actions and decisions of execs</li> </ul>	<ul style="list-style-type: none"> <li>• Bodily injury/sickness</li> <li>• Contract breach</li> </ul>





# MARKET DRIVERS

# *Insurance Market Conditions*

- Catastrophic and category losses
- Diminishing investment capital
- Reinsurance capacity/risk appetite
- Social impacts (someone has to pay)
  - Ex. Sexual Abuse look-back
- Increasing legal costs
- COVID uncertainty

*The insurers need to remain solvent to pay claims*



# *Swimming Specific Exposures*

- Changing revenue model
- Sexual Abuse Look-back
- Adverse claims history
  - Concussions
  - Shallow dives
  - Collisions
  - Air Quality
  - Dryland Training



*This convolution of factors forces insurer modifications*





# *Insurance Market*

## *Direction 2021*

- Increasing retention/deductible
- Decreasing Limits and risk appetite
- Significant premium increases
  - D&O
  - GL
- COVID exclusion
- Sexual Abuse exclusion or reduction

## *2021 General Liability Program Changes*

- Increase Premium
- Increase Retention
- Decrease in Sexual Abuse coverage





# OPPORTUNITIES AND CONSIDERATIONS

# *Assets: Swimming Operations*

- Best in class reputation for Safe Sport
- Leverage organization size allows for spreading of risk
- Adherence to Safety Standards
- Collaboration with insurers
  - Concussion protocol
  - Coach certification
- Expedient reporting and claim handling

*We can leverage our intangible assets for the future*



*Don't ever take a fence down until you know why it  
was put up.*

*Robert Frost*



# *Potential Opportunities*

- Potential Aggregation of programs
  - Safety Guidance and Auditing
- Claim cost participation from clubs
- LSC/Club insurance opportunities
  - Cyber Liability
  - Property and equipment
  - Workers Compensation
  - Coach healthcare
  - Crisis Communication/recovery



# *Questions or Comments?*

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