

Lessons from Insurance Thought Leaders



By Melanie Lockwood Herman

Executive Director

Resource Type: Risk eNews

Topic: Insurance and Risk Financing

Although there are risk professionals throughout the nonprofit sector who know a great deal about the property and casualty coverage they buy for their organizations, some buyers purchase policies first, and ask questions later. Relying on simplified coverage descriptions and failing to read the fine print are risky recipes for disaster. Some of the most common misconceptions about coverage include:

- What's covered under the policy
- What's specifically excluded
- The policyholder's obligations, such as timely reporting of claims

According to the Insurance Information Institute publication, [Insurance Industry at a Glance](#):

- There were 2,544 property/casualty companies in the U.S. in 2015
- 648,200 individuals worked at property/casualty insurers in 2016, and
- P&C premiums represented 45% of total premiums of \$1.2 trillion in 2015

The insurance industry is large and complex; ignorance is not bliss when it comes to managing and leveraging your nonprofit's insurance portfolio! Luckily, you have a new opportunity to seek guidance from insurance industry thought leaders.

At the 2017 Risk Summit I hosted a panel session—**Chalk Talk with Insurance Industry Thought Leaders**—featuring senior leaders from insurance carriers that specialize in insuring nonprofit organizations. The panel discussed the following questions:

- Looking back, what industry developments and innovations have had the greatest impact on nonprofit buyers of P&C coverage?
- Looking ahead, what are some of the changes to coverage or process that nonprofit buyers can expect?
- What are the common mistakes you see nonprofit policyholders make, both when they purchase coverage, and when they want to leverage their coverage?
- If you were a new risk leader at a nonprofit organization, what are the first three projects or goals you would take on in order to understand and better manage the nonprofit's insurance program?
- How do you see the risk landscape changing, and what risks are becoming more pressing to nonprofit leaders?

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She invites your

questions future panel sessions featuring insurance sector leaders at Melanie@nonprofitrisk.org.