

When it Comes to Claim Reporting, Don't Hesitate



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By Chris Richmond
For November 2022 [WorkBoat Magazine](#).

You have heard it before but it bears repeating: If something occurs that you think might be a claim let your agent know sooner rather than later. If a passenger or crew member is injured, report it, even if they say they are fine and do not need medical attention at the time.

The time to record information pertaining to any sort of occurrence is immediately after it happens. This is when everything is still fresh in your mind and you can accurately record the events that happened. Who was injured? Where did it happen? What were they doing at the time? It is much easier to obtain this information at the time of the event rather than try to track it down six months later when you receive a letter from an attorney. By letting your agent know

what happened, they in turn can report the claim to the insurance company. There is no harm in sending something in for reporting purposes only. Adjusters would much rather have this information sooner than later – even if the eventual medical bill is less than your deductible.

We had a passenger vessel operator contact us recently to report a claim. A passenger had fallen while disembarking from a tender while on a shore trip. The captain had offered medical assistance off the boat at a local clinic but the passenger had refused, stating that they were fine and wanted to continue on with the trip. The cruise continued and the passenger enjoyed the remainder of the trip with no complaint. Fourteen months later, the owner of the vessel receives a notice from an attorney looking for payment of medical bills as well as for pain and suffering.

Another client had a similar situation but with a crew member. The individual injured her back while on board. The insured reported the occurrence and the crew member received medical treatment for her injury. Eighteen months later the insured was issued a notice of summons from the crew member's attorney looking for pain and suffering. The adjustor was able to reopen the claim and review the file with all the pertinent notes from the time of the claim.

You should never feel that you can't report something to your insurance agent. Unsafe areas of operations can be determined on board and corrected. This can help reduce injuries and ultimately save you money in the long run. By including your agent in the conversation you can help keep your passengers safer and your business more profitable.

Benefits Buzz Newsletter – November 2022



This month's Benefits Buzz discusses a new IRS rule that changes the premium tax credit's affordability rules for family members and new IRS guidance that increases the health FSA limit for 2023 plan years.

[Information is on this PDF.](#)

**Leann Cailler Earnings Safeco
Insurance® Award of
Distinction**



Leann Cailler,
ACSR, CPIA

Leann Cailler, a personal insurance account executive with Allen Insurance and Financial, has earned the Safeco Insurance Award of Distinction and has been named a producer of the year for 2022.

This recognition is achieved only by a select group of agents across the country who sell Safeco Insurance.

The Safeco Award of Distinction honors outstanding agents who have developed a solid partnership with Safeco. Only 150 agents nationwide earn this award.

Cailler, of Waldoboro, has been with Allen Insurance and Financial since 2007. She holds both the Accredited Customer Service representative (ACSR) and Certified Professional Insurance Agent (CPIA) designations. This is her second year receiving the Safeco Award of Distinction.

Allen Insurance and Financial is a multi-year President's Award and Premier Partner agency, recognition given only to the best independent insurance agencies that sell Safeco. Safeco is a Liberty Mutual Insurance company.

Greg Karlik Joins Our Benefits Team



Greg Karlik has joined the benefits division at Allen Insurance and Financial to work with individual and group health insurance clients.

Following a three decades-long career in the television broadcasting industry, Karlik has spent the past three years as a licensed insurance professional in the individual health insurance market place, helping customers manage and better understand, what, for many, is a stressful decision-making process.

He is a graduate of the University of Vermont and the University of San Francisco, where he earned a Master of Business Administration.

Karlik and his family live in Northport. Outside of work, he enjoys spending time with his wife, their children and two dogs as well as gardening and exploring the Maine outdoors.

Underinsurance Headache – for October 2022 WorkBoat Magazine



By Dan Bookham

For October 2022 [WorkBoat Magazine](#)

You cannot escape the headlines: Almost everything is getting more expensive. Supply chain issues, increased demand, workforce shortages and other pressures are driving inflation at a sharp clip, and every industry is affected. And while an uptick in prices might be a boost to one's top line profits, there's obviously a negative impact on the cost of doing business. Insurance is not immune to inflationary pressures either, and most insurance and reinsurance companies continue to look warily at the cost of materials, the time it takes to replace or rebuild property, legal expenses and other factors as they review their books of business. The indications are that American businesses have a large (and self-inflicted) underinsurance headache.

Think about your own operations. How much money would you need to replace a string of damaged or destroyed barges? To repair or replace systems or deck machinery on a tug? To build a new ferry? To bring in replacement containers, reefer points or gensets? To source and replace a dock crane, a warehouse, or even something as basic as bollards? Is the insurance limit you have in place going to cut it?

Additionally, scarcity of materials, labor shortages and transportation & logistics problems have lengthened the time needed to repair or replace damaged property. Under these conditions, it might take two to three times as long to rebuild and reequip a facility or vessel than it took prior to the pandemic. Think about your key assets. How quickly can you get the replacement part or unit from the factory to your facility? How congested is the shipyard orderbook or the construction pipeline in your state? Do you have the relationships that could help you bump your project to the top of the list, or do you have to resign yourself to waiting in line? And at the end of the day, have you factored that into your business income insurance limit?

With all of this in mind, if you aren't talking to your insurance agent about the ongoing inflation in construction and materials costs and longer time horizons on projects you could well find yourself underinsured. The point of your policy is to protect your assets and make you whole in the event of a loss. Proper valuations of the cost to replace or rebuild your assets (including your lost income resulting from a loss) are at the core of making sure your insurance is working for you.

Insurance Trends for 2022 and Beyond



By Cale Pickford

For Fall 2022 [Maine REALTOR Magazine](#)

The insurance market, like the real estate market, can serve as a window from which to view society and the economy. Insurance companies look to strike a balance between their tolerance for risk and their mandate to generate profits. The push and pull of these two competing factors are further complicated by the rapid rate of change in today's world. Insurers look to predict the future with data from the past, and in this changing world, they are having trouble keeping up. Here are three trends that will dominate the insurance marketplace for the coming year.

Inflation is on everyone's minds these days – for good reason. Across the economy, the cost of just about everything has gone up at rates not seen for more than 40 years. This means that insurance companies, too, must pay more to adjust a loss.

In addition to increased costs, shortages of labor, materials and parts has meant that it takes far longer to fix damages and get people back into their homes and cars. Many insurance policies pay for the insured to rent a car or home until repairs are completed, this time element increases the total cost of the loss significantly. Industry data suggests that claims costs are up as much as 50% to 100% over pre-pandemic levels. Because of state regulations, increasing insurance rates can be a slow process, but there is no question that over the next few years insurers may increase their rates to reflect the rising costs of

insurance claims.

In the context of this inflationary environment, having the right insurance has never been more important. Look for auto insurance policies offering higher limits for temporary rental car coverage, and policies which allow the client to select both the repair shop and original equipment instead of aftermarket parts. For homeowners' policies, look for carriers providing guaranteed replacement cost coverage (which means they will rebuild the home to the same standards, regardless of the limit of coverage on the policy) and high or uncapped coverage for loss of use (the coverage that will pay to rent a home if you're displaced).

Another trend which cannot be understated is the impact of **climate change** on the insurance industry. Extreme weather events generating billions of dollars in damaged property and often loss of life seem to be weekly occurrences. The impact of climate change is no longer hypothetical, and the private insurance industry is reeling from its impact. In particularly hard-hit states such as California and Florida, the private insurance industry is only offering homeowners policies which exclude the primary regional cause of loss such as fire and wind. These policies usually need to be complimented by a separate wind or fire policy underwritten by a state-sponsored insurance pool. While Maine seems more protected from extreme weather events, that trend could change. Regardless, insurers are motivated to spread out the burden of higher rates across a national customer base. In this context, consumers should work with an independent agent to identify regional insurers who do not have as much exposure to catastrophic loss prone regions or who identify Maine and Northern New England as a market for focused growth or hedge against more loss prone areas.

Cyber security and cyber insurance rounds out this list of top

trends. The COVID-19 pandemic forced organizations to shift their workforce to remote work and surveys suggest that a high percentage of workers continue to work remotely. Remote working, accelerated digitization, and an increase in reliance on cloud-based services has created new opportunities for ransomware attackers. The frequency and sophistication of these cyber-attacks are on the rise. Hackers are also becoming more sophisticated by using social engineering attacks, whereby an individual is targeted and enticed to click a link to download malware providing access to a computer or network.

An important tool for preventing hackers from gaining access to computer system is multi-factor authentication (MFA). Though MFA is regarded as the gold standard of authentication, malicious attackers are finding ways to get around it – specifically, authentication carried out via SMS or phone calls. App-based authenticators and security keys are seen as the best option today, but we can be sure that hackers will be looking for ways to exploit vulnerabilities in these systems, too.

Cyber liabilities are here to stay. Every business and household is at risk and having a plan for cyber security complimented by cyber liability insurance is a must for 2022 and beyond.

Insurance continues to be a critically important aspect of the economy as it provides individuals and businesses with a tool to offset risk. Working with an independent insurance advisor who understands the evolving nature of risk along with the associated loss control strategies and insurance solutions is a critical element of financial security and well-being.

Jennifer Coffin Earns Safeco Insurance® Award of Excellence for Superior Underwriting Skill



[Jennifer Coffin, ACSR, CPRM](#), a personal insurance account executive with Allen Insurance and Financial, been honored with the Safeco Insurance Award of Excellence, an honor recognizing superior underwriting skill.

This recognition is achieved only by a select group of agents across the country who sell Safeco Insurance. This is the second consecutive year Coffin has earned this recognition.

“Excellence in underwriting means bringing exceptional customer service together with a deep understanding of the complexities of insurance coverage to create great outcomes for our customers,” said Scott Carlson, manager of the personal insurance division at Allen Insurance and Financial. “Jen and our personal insurance team do that daily by ensuring customers get the insurance coverage that works best for them. This recognition is well deserved and we’re especially proud of the number of consecutive awards Jen has earned.”

The Safeco Award of Excellence recognizes outstanding agents who have developed a solid underwriting relationship with Safeco and whose agencies have qualified for the Safeco Insurance Premier Partner Award, the company’s top recognition program. Fewer than

10 percent of agencies who sell Safeco have agents who receive this award.

Coffin, of Nobleboro, has been with Allen Insurance and Financial since 2004. She holds both the Accredited Customer Service representative (ACSR) and Certified Personal Risk Manager (CPRM) designations.

Allen Insurance and Financial is a multi-year President's Award and Premier Partner agency, recognition given only to the best independent insurance agencies that sell Safeco. Safeco is a Liberty Mutual Insurance company.

Marine Professional Liability Coverage



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By Chris Richmond

For August 2022 [WorkBoat Magazine](#).

A very long time ago when I was captain of an old wooden sailing vessel, I was bringing the boat in to the harbor to tie up to the dock, something that I had done countless times. Except this time when I put the engine in reverse to stop forward movement the boat went ahead. Quickly losing room in the congested harbor, I tried again to engage reverse propulsion, to no avail. A wooden tour boat tied up ahead of me finally stopped my movement. There was season-ending damage.

While my vessel's Hull and P&I policy took care of the damage claim, the Coast Guard felt that I had been derelict in duties as captain and wanted to conduct an admiralty hearing against my license. I now needed professional liability insurance coverage.

Typically used by attorneys, accountants, consultants and real estate brokers, professional liability provides coverage against claims made against professionals who have not performed up to the standards of their profession. This type of liability coverage is also available to licensed mariners. Should a claim occur, and the captain be deemed negligent, he or she could be sued in addition to the vessel.

Coverage can include defense costs (both against your license, civil legal defense as well as criminal acts defense), coverage for fines and penalties as well as a daily subsistence allowance. It is important to note that professional equipment, such as a personal GPS or similar navigational device, can also be included. Loss of income can be added to compensate for lost wages due to down time resulting from a claim.

Whether you are driving a 6 pack harbor taxi or a blue water tanker, your livelihood requires you to hold a valid USCG license. When you are involved in a claim involving your license, having professional liability coverage to fall back on

can both help alleviate the headache of defending yourself and help take care of some defense costs. Have a talk with your marine insurance agent before you need this kind of protection.

ACA Pay or Play Rules: Penalties Updated



This month's Benefits Buzz discusses updated penalties under the ACA's pay or play rules, as well as the health reforms that are included in the Inflation Reduction Act.

On Aug. 16, 2022, the IRS updated its FAQs on the Affordable Care Act's (ACA) employer shared responsibility (pay or play) rules to include updated penalty amounts for 2023. The adjusted \$2,000 penalty amount is \$2,880 and the adjusted \$3,000 penalty amount is \$4,320.

[You can read more on this PDF.](#)

How to Read Your Insurance Policy



By [Dan Bookham](#) for [WorkBoat](#) magazine, August 2022

After being an avid reader of Workboat for many years it's my distinct honor to be joining my colleague Chris Richmond as a contributor to the monthly "Insurance Watch" column. For my first go around I figured it makes sense to start with revisiting a basic topic: How to read your insurance policy.

Once you get past various legal notices, billing options and marketing messages, insurance policies have five parts: Declarations, insuring agreements, conditions, exclusions and endorsements. The smart mariner will take the time to review each of these in order, as they define the rights and responsibilities that come with the coverage you purchase.

Declarations. This is the what, where, when, by whom and for whom, price and coverage period of the policy. Check to make sure the named insureds are correct, any lenders are shown and that the right coverage lines are in place.

Insuring agreements. These explain the coverage you've bought in

detail. An “open perils” policy covers everything except those areas covered in the exclusions (more on that below) while a “named perils” policy is for a list of specific things. Depending on the appetite of the insurer, certain additional perils can be agreed to and listed, usually by endorsement (again, more on this below).

Conditions. The insurer uses this section to outline what you must do to collaborate with them and in turn what they will do to help you get paid or to defend you in the event of a loss. This section also lays out how to file a claim. Pay close attention to the conditions, ideally before you are scrambling to file a claim, as following the ‘rules of the road’ in the policy will expedite claims handling and ordinarily lead to a smoother resolution of any call on your insurance coverage.

Exclusions. While the word itself fits certain stereotypes of insurance, this section is actually driven by logic and common sense. You can’t deliberately sink your boat or burn your warehouse and expect to get paid, and you can’t expect your Hull and P& I coverage to respond to an automobile accident. Exclusions exist to ensure your policy remains affordable, that it covers reasonable risks associated with the appropriate operations and that exposures outside the realm of insurability aren’t subject to your policy.

Endorsements. These can be used to expand or limit coverage, either at your request or at the discretion of the insurance company. Because a policy is a contract these serve as customized amendments that allow the coverage you buy provide a better fit to your unique operations. Here’s where your agent can really earn their salt and why working with agents or brokers with marine experience can make a real difference in the coverage you call on when the chips are down.