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INSIGHTS CONFERENCE



**Welcome to the
Casualty Insights
Conference!**



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Welcoming Remarks



Rebecca Bole
EVP & Editor-in-Chief
Advisen



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Leading the way to smarter and more efficient
risk and insurance communities,
Advisen delivers:
The **right** information into
The **right** hands at
The **right** time
To power *performance*



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Thank you to our Advisory Board

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Joseph Cellura, Allied World

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Debra Weiser, Everest Insurance



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OLD REPUBLIC



Willis
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AON





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Big NASTY Claims CONFERENCE

September 20, 2018
New York City



[LEARN MORE](#)



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Chair Opening Remarks

Lisa Kerr

Vice President, Risk Management
Henry Schein Inc.





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View from the Top: Reinsurers 'In Conversation'



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View from the Top: Reinsurers 'In Conversation'

Joseph Cellura

President, North American
Casualty Division
Allied World
Moderator





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View from the Top: Reinsurers 'In Conversation'



Joseph Cellura
President, North American
Allied World



M. Steven Levy
President and CEO, Reinsurance Division
Munich Reinsurance America



Keith Wolfe
President US P&C
Swiss Re



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Buyer's Perspective: Disruption challenges on and over-the-horizon



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Buyer's Perspective



David T. Carlson

US Manufacturing & Automotive
Industry Practice Leader

Marsh

Moderator



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Buyer's Perspective



David T. Carlson
US Manufacturing & Automotive
Industry Practice Leader
Marsh



Alan Gier
Director, Global Risk
Management & Insurance
General Motors



John Kline
Director, Risk & Insurance
Management
Discover Financial Services



Amy Wagner
VP, Global Products, Insurance
& Risk Management
Ryder System, Inc



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Morning Break

Coming up next...

Mass Torts and Other Large Claims



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Mass Torts and Other Large Claims



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Mass Torts and Other Large Claims

Jonathon Drummond

Head of Casualty Brokerage,
North America
Willis Towers Watson
Moderator





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Mass Torts and Other Large Claims



Jonathon Drummond
Head of Casualty
Brokerage
Willis Towers Watson



Josh Gold
Shareholder, NY
Anderson Kill



Phil Goldberg
Director & Co-Chair
Shook Hardy & Bacon LLP



Emily O. Slater
Managing Director
Burford Capital



Megan Watt
Chief Claims Officer
Everest Insurance



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Mass Torts & Large Claims



What are the large exposures (not just mass torts) that are affecting the industry?



What will be the cumulative effect of these exposures on the casualty sector?

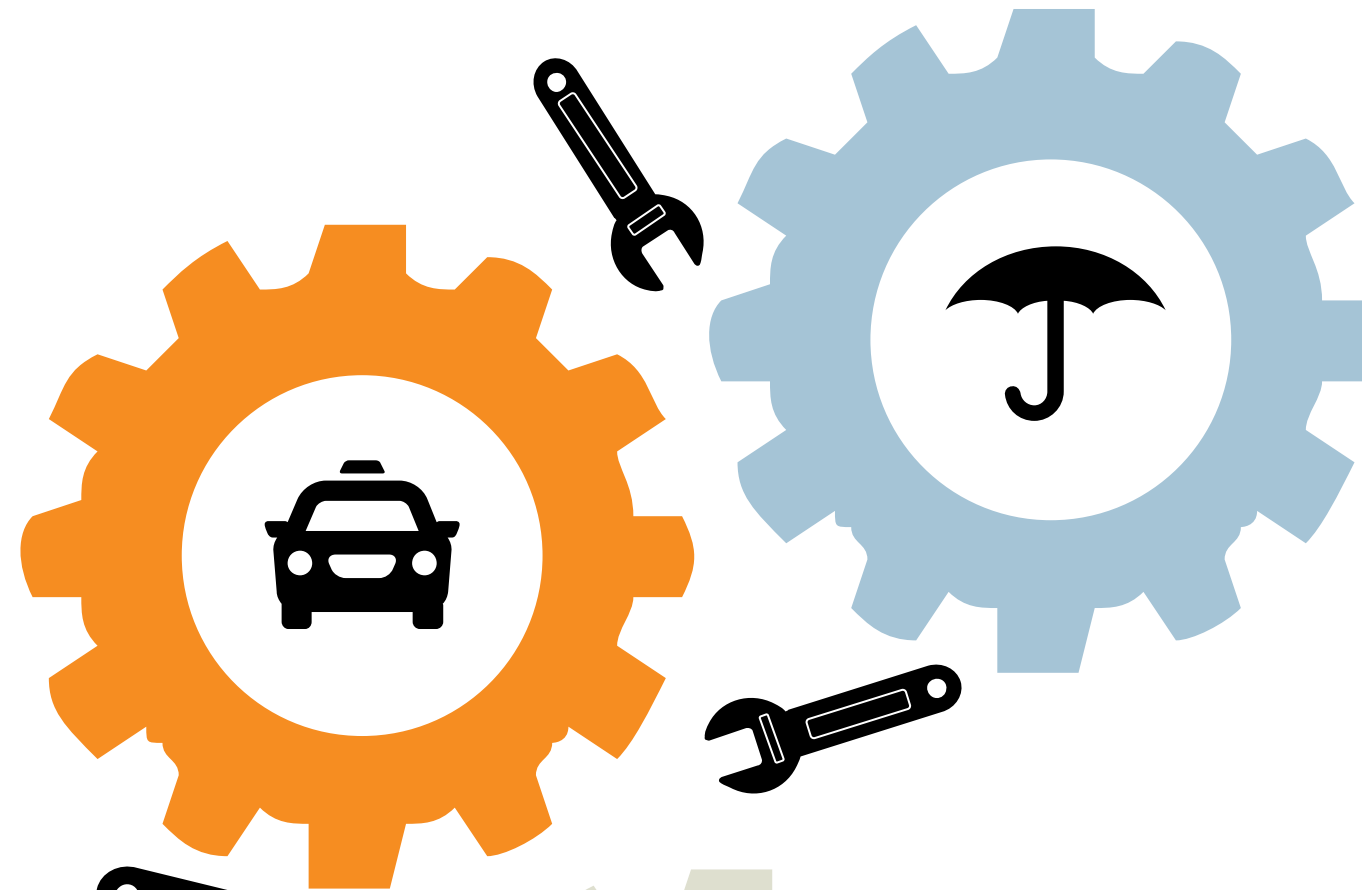


View points: Policyholder Counsel, Lobbyist / Regulatory; Litigation Funder; Insurer



State of the Market – Casualty Marketplace Disruptors

Auto Liability
Distracted Drivers
Auto Fatality Trends
Accident Frequency
Cost of Technology



Umbrella Liability

Personal Injury Trends
Toxic Tort Landscape
Highly Organized Plaintiffs Bar

Worker's Compensation
Aging Workforce
Regulatory Reform
Medical Bill Inflation
Opioid Addiction

General Liability

Liberal Class Action
Certification
Catastrophic Liability Losses
Desensitized Jury Pools
Punitive Damage Trends



Historic Settlements



Tobacco (1998)

\$206 Billion + assessed future payments – no cap

Consolidated case brought by 46 State Attorneys General –
seeking payment for healthcare costs for treating smoking related illnesses



Vioxx (2007)

\$4.85 Billion

(+ \$1.2 Billion – legal costs)

Fen-Phen Diet Drugs (2000)



\$3.8 Billion

Dow Corning Breast Implant Litigation (1998)

\$3.2 Billion



BP

Gulf of Mexico Oil Spill (2016)



\$20 Billion

(Resolved only civil claims for environmental
damage; BP total cost \$62B)



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Asbestos – still going...

Net Ultimate asbestos losses for P& C Industry – now @\$100B (\$15B increase)

P&C Industry estimated annual incurred - \$2.1B & annual payout \$2.5B

Improved healthcare – extends lifespan & potential for latent disease to emerge

“With no way of knowing where the end is, and given the total funding for the industries’ asbestos losses has now reached nearly \$85 billion, it is clear that the asbestos issue will continue for years to come”

– A.M. Best, November 2016

<https://www.insurancejournal.com/news/national/2016/11/29/433383.htm>



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TALC 2016-17

TALC - **4,800 – 5,000** Claimants

Allegations
**Causes Ovarian
Cancer**

To date **6 plaintiffs'**
verdicts (2016-17)

\$631.5M Punitive Damages
Awarded in **6 Verdicts**

\$92.5M
Compensatory Damages
awarded in
6 Verdicts

2 of the 6 verdicts
have been reversed (causation;
jurisdiction) (October 2017)

MDL – U.S.D.C. Newark,
Judge **Freda Wolfson**



Takata Airbags

Largest recall in US Automotive History
(65M cars to date & could climb to 100M)

\$650M
to 44 **state governments**
and DC

Worst case scenario
recall costs **\$24B**

\$1B
\$850M to auto makers;
\$125M to people injured;
\$25M to federal regulators for
concealing defects

Bankruptcy proceeds will
compensate victims;
repay debts

Takata filed for Bankruptcy & signed agreement
in November 2017 to **sell assets for \$1.5B**



Nat CAT – 2017 New Records

2017 – Costliest Year Ever
for Weather Catastrophes

60% of Global
Insurance Payouts
for Harvey, Irma & Maria

\$330B
Total Global Economic Losses
330 Nat Cats

(**97%** were weather-related)

\$135B “insured losses
in private sector &
government sponsored
programs”



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CA Wildfires - 2017

\$9B – CA Wildfires
(insured losses)

Accumulation of Loss - property loss migrates to the casualty policy

PG&E & CA Wildfires

\$800M

PG&E's Liability Insurance Tower

CA Law – If a utility's equipment is the substantial cause of the damage (even if it has met established levels of inspection & safety) it faces potential liability for property damage & attorneys fees.

2017 October –
PG&E Share price
drops **22%**



2018 Trends

#MeToo

Sexual Harassment, Assault, Abuse, Discrimination in the workplace & elsewhere

Michigan State University
144 lawsuits (4x as many victims as Penn State)

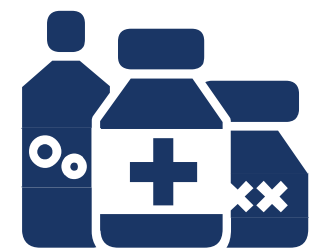
US Women's Gymnastics Scandal – more than 140 women

Penn State \$243M

#MeToo - How much could it cost?
Some estimates - **\$2B**



2018 Trends



Pharma Exposure Leads

(medical devices and drugs top the list):

- Zostavax
- Xarelto
- Victoza
- Hernia Mesh & Transvaginal Mesh
- Mesothelioma
- Talcum Powder
- Whistle Blower
- Wage & Hour Employment
- Discrimination & Sexual Abuse

See

classaction.com

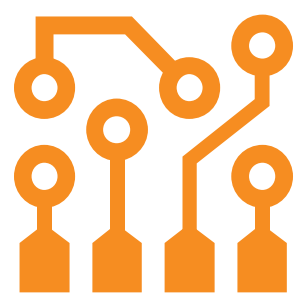
- Opioids – states, cities, counties suing pharma companies for expenses associated with addressing the opioid epidemic.
- Are the damages the result of covered bodily injury arising out of an occurrence or simply reimbursement of healthcare expenses?



Cyber



Artificial Intelligence, automation telematics, driverless cars & **block chain**, to name a few, are “**the game changers**”.



Consensus is that **CYBER risks are an opportunity**, but much remains unknown about these risks with projections varying widely regarding exposures.

What is Cyber Risk?

Institute of Risk Management

“What we mean by cyber risk is any risk of financial loss, disruption of damage to the reputation of an organization from some sort of failure of its information technology systems.”

- Hacker Attacks
- Data Breaches
- Viruses
- Employee Sabotage
- Network Downtime
- Multi-media Liability
- Human Error



Data Breaches



“The 17 biggest data breaches of the 21st century” - Taylor Armerding

Date	Company	No. of users
2017	Equifax	143M
2016	Adult Friend Finder	412.2M
2015	Anthem	78.8M
2014	eBay	145M
2014	JPMorgan Chase	76M
2014	Home Depot	56M
2013	Yahoo	3B

Date	Company	No. of users
2013	Target	110M
2013	Adobe	38M
2012	US Office of Personnel Mng	22M
2011	Sony's PlayStation Network	77M
2011	RSA Security	40M
2008	Heartland Payment Systems	134M
2006	TJX Companies, Inc.	94M



Notable Data Breach Settlements

Company	Amount
Anthem	\$115 million (pending approval)
Target	\$28.5 million
Home Depot	\$19.5 million
Sony (PlayStation)	\$15.0 million
Ashley Madison	\$12.8 million
Sony (employee info)	\$8.0 million
Stanford University Hospital	\$4.1 million
AvMed Inc.	\$3.1 million
Vendini	\$3.0 million
Schnuck Markets	\$2.1 million



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And now... Facebook

“A Grand Illusion’: seven days that shattered Facebook’s façade”



By: **Olivia Solon**, San Francisco,
The Guardian, March 24, 2018

“Since the Observer reported that the personal data of about 50 million Americans had been harvested from Facebook and improperly shared with the political consultancy **Cambridge Analytical**, it has become increasingly apparent that the social network has been far more lax with its data sharing practices than many users realised.”

““This is the story we have been waiting for so people will pay attention not just to Facebook but the entire **surveillance economy**,”” said Siva Vaidhyanathan, a professor of media studies at the University of Virginia.”



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What is coming...

**Shareholder
Derivative
Lawsuits**

(\$50B in lost market cap)

**Consumer Fraud
Lawsuits**



**Deceptive
Business Practices
Lawsuits**



FTC Inquiry 
(2011 Consent decree)

 **Regulatory
Violations - Fines**

**Increased
Regulatory
Oversight**



**Privacy Policies –
Redefined**



**#DeleteFacebook
Movement**





What are we thinking?

What are the social, cultural, economic, legal, regulatory implications of the “surveillance economy”?

Now

How do you define, identify & price risk?



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Panel Questions?





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Autonomous Vehicles: Changing Liability, but how?



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Autonomous Vehicles: Changing Liability, but how?



Elizabeth K. Johnson
Head of Excess Casualty
AIG
Moderator



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Autonomous Vehicles: Changing Liability, but how?



Elizabeth K. Johnson
Head of Casualty
AIG



Alan Gier
Director, Global Risk
Management & Insurance
General Motors



Liz Kramer
Technical Director – Auto
Zurich



Michael R. Nelson
Partner, New York
Eversheds Sutherland

Autonomous Vehicles Changing Liability, But How?

Elizabeth Johnson

AIG

Head of Excess Casualty

Al Gier

General Motors

Global Director, Corporate Risk Management & Insurance

President and Chairman, General International, Limited

Liz Kramer

Zurich North America

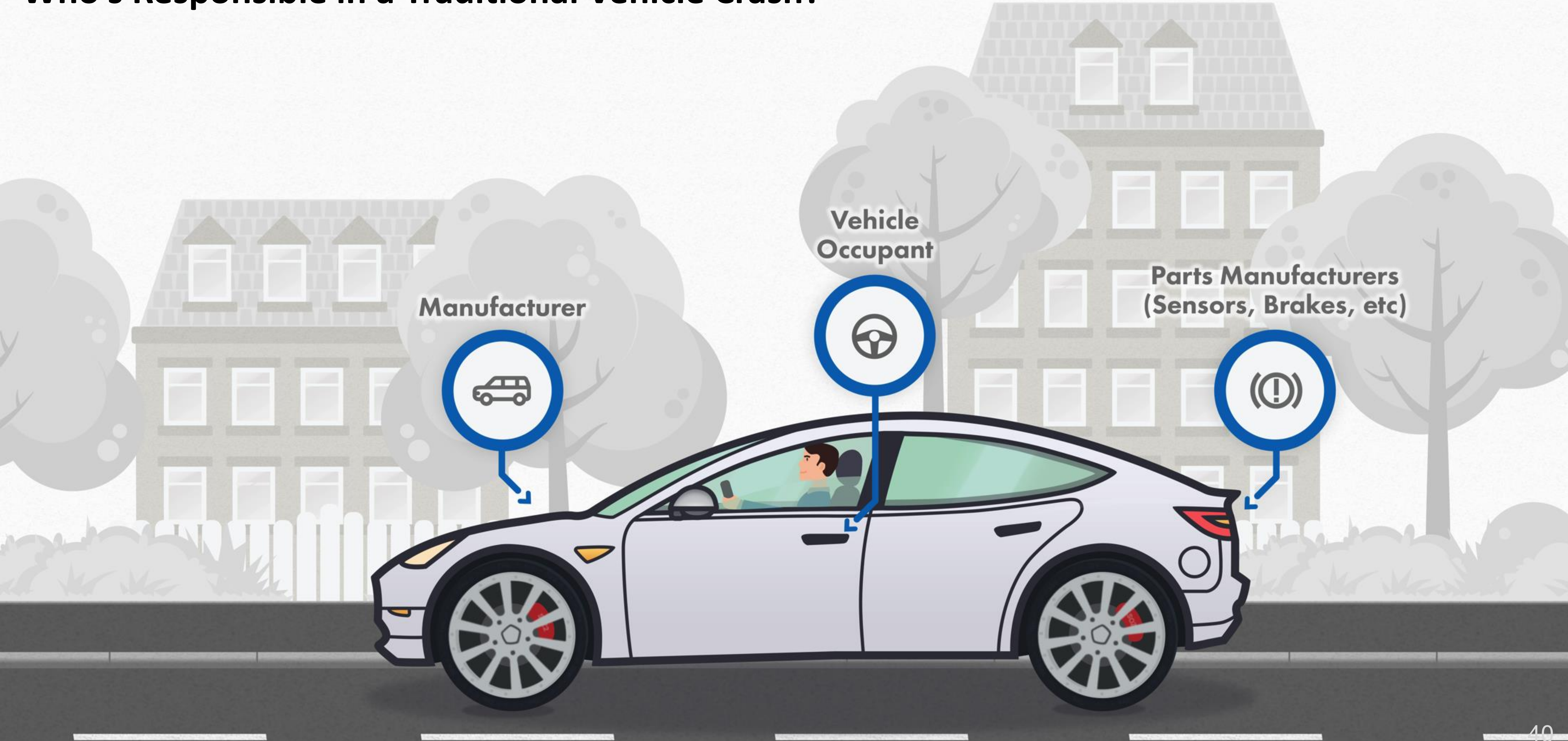
Technical Director, Auto

Mike Nelson

Eversheds Sutherland

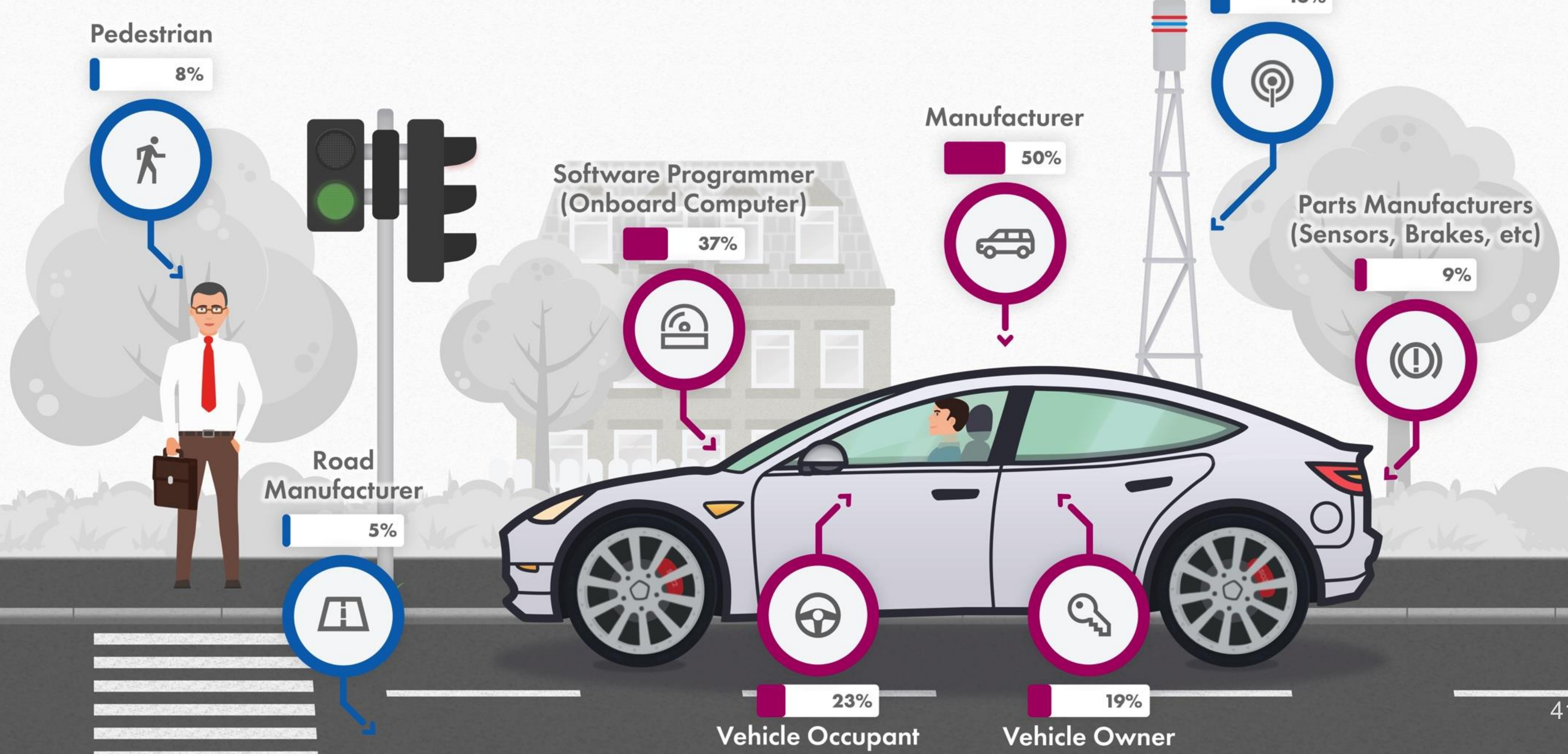
Partner

Who's Responsible in a Traditional Vehicle Crash?



Who's Responsible in a Fully Driverless Vehicle Crash?

(Based on U.S. survey responses)



CAS AV Case Study – Adjusting from personal auto to products liability may increase premium



Expertise. Insight.
Solutions.



% of Prem Dollar	PPA		Products Liability	
	Baseline	Option 1	Option 2	
Avg Prem	\$ 781	\$ 1,794	\$ 2,355	
Expected Loss	60.3%	57.7%	55.0%	
ALAE	2.2%	4.0%	4.3%	
Expenses	34.4%	30.4%	32.4%	
Profit	3.1%	7.8%	8.4%	
Total	100%	100%	100%	

Assumptions

1. Insured population adjustment: 100% vehicles receive full coverage
2. Provide voluntary liability limit coverage to every vehicle
3. Pass physical damage coverage to manufacturer
4. Redefine claim coverage based on manufacturer ownership liability
5. Eliminate physical damage deductibles
6. Replace personal auto expenses and profit provisions with commercial assumptions
7. Increase limits to \$1 million

Option 1: \$1M/\$1M split limit
PIP and Med Pay at current voluntary limit

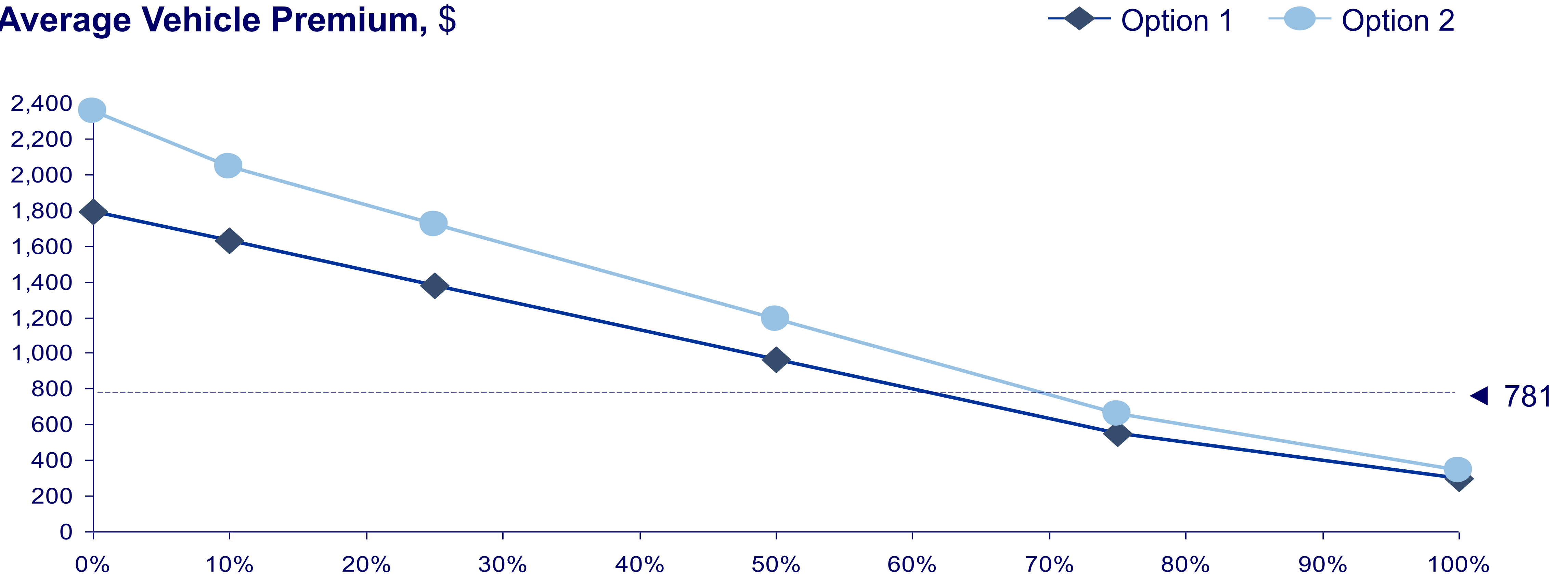
Option 2: \$1M single coverage
including PIP and Med Pay

No figures above take loss mitigation from AV into account

Loss Mitigation would need to be 60-70% to place Products Liability premium close to personal auto ra



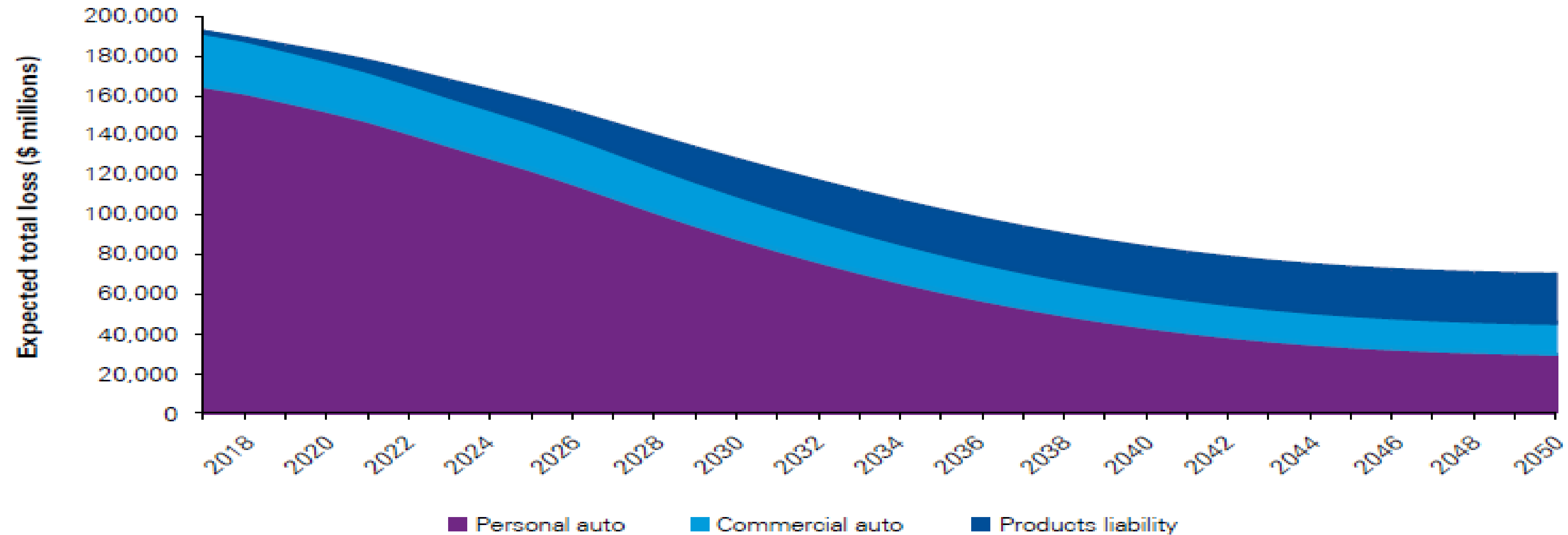
Average Vehicle Premium, \$



The decrease in loss is projected to have the largest impact on personal auto



Updated baseline scenario – Expected loss allocated to products liability, personal auto, and commercial auto



Note: (1) As previously noted, a large portion of commercial fleets may be self-insured, resulting in a further decrease in the commercial insurance market.

Source: KPMG LLP actuarial analysis

From today to the future

“In my opinion, the self-driving car community is woefully deficient in its testing and evaluation programs (or at least in the dissemination of their test plans and data)... Google X has advertised that its cars have driven 2 million miles accident free, and while I applaud this achievement, New York taxi cabs drive two million miles in a day an a half. This 2 million mile assertion is indicative of a larger problem in robotics, especially in self-driving cars and drones, where demonstrations are substituted for rigorous testing.”

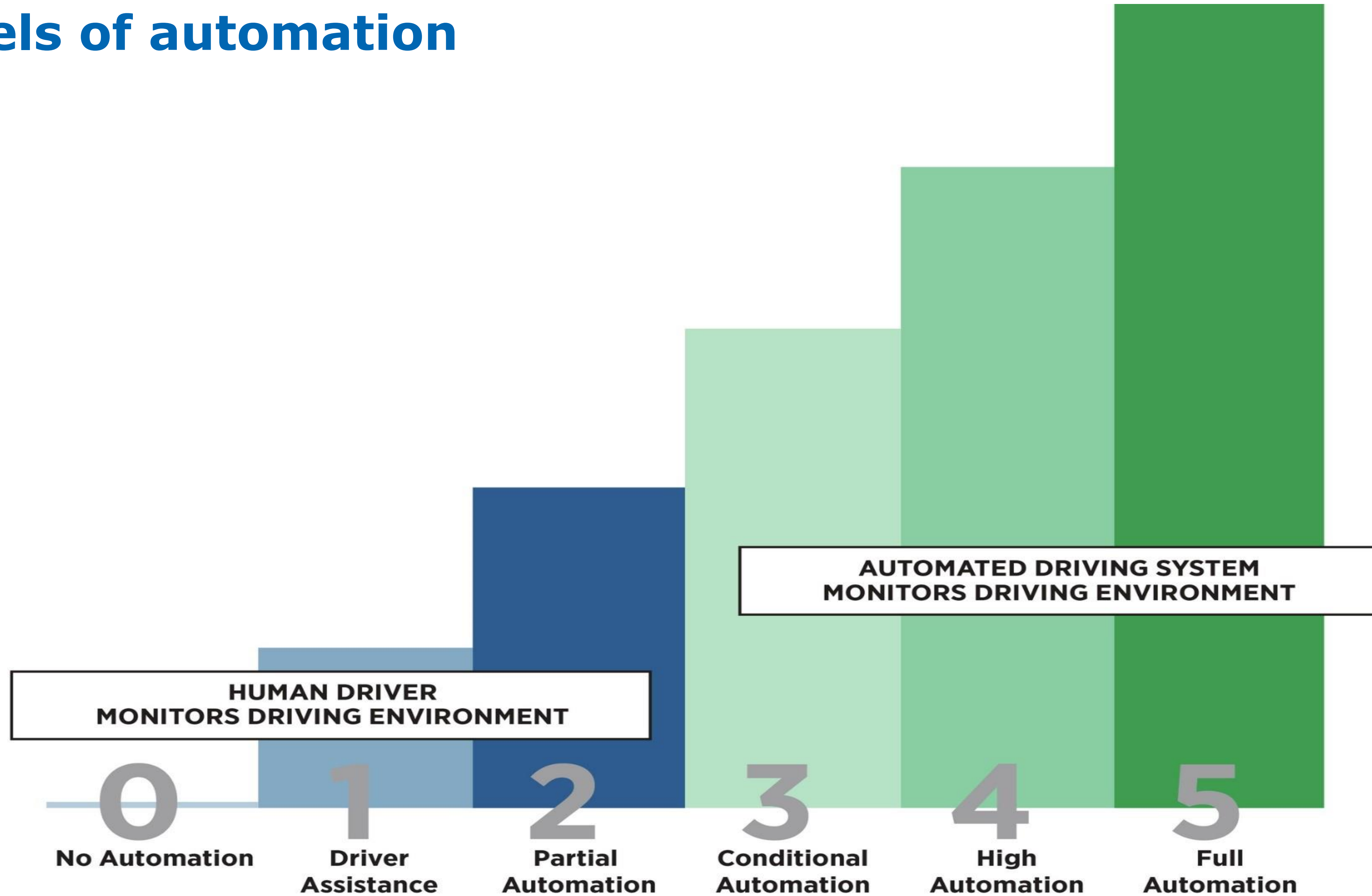
- Mary Cummings, PhD
Director, Human and Autonomy Laboratory, Duke Robotics

“Things are changing rapidly, but this will be a long journey.”

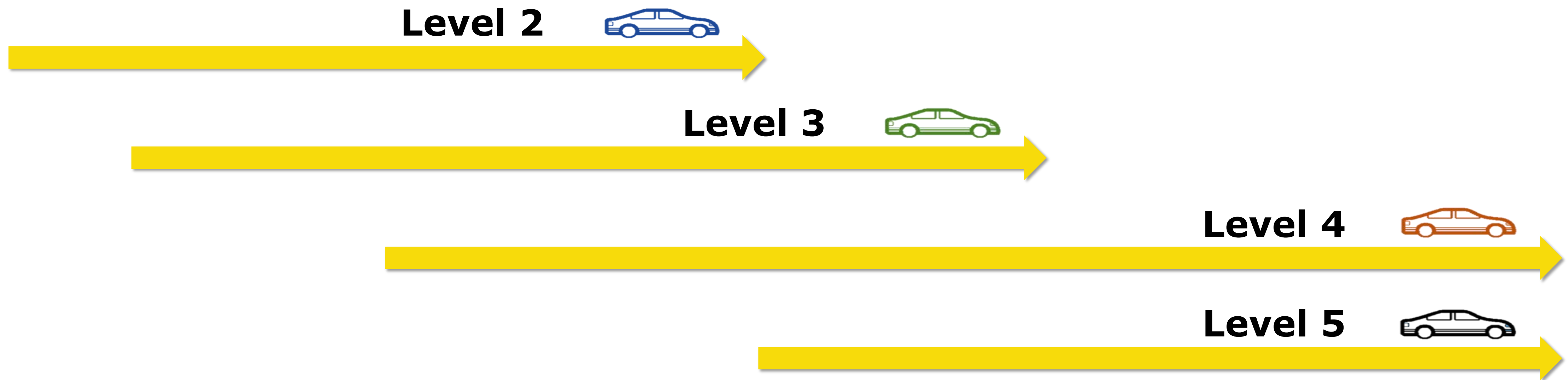
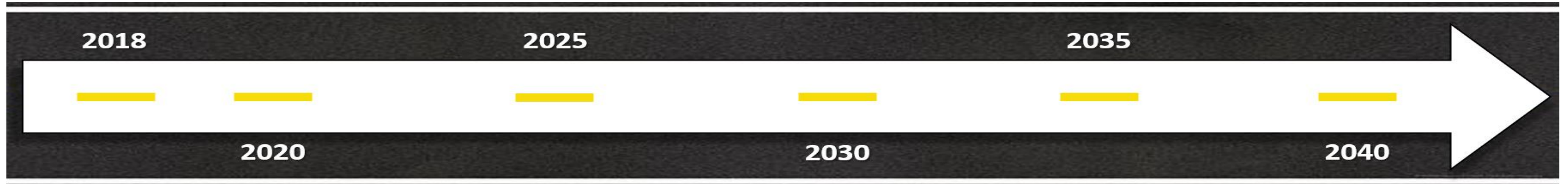
- Gill Pratt, CEO Toyota Research Institute



Levels of automation



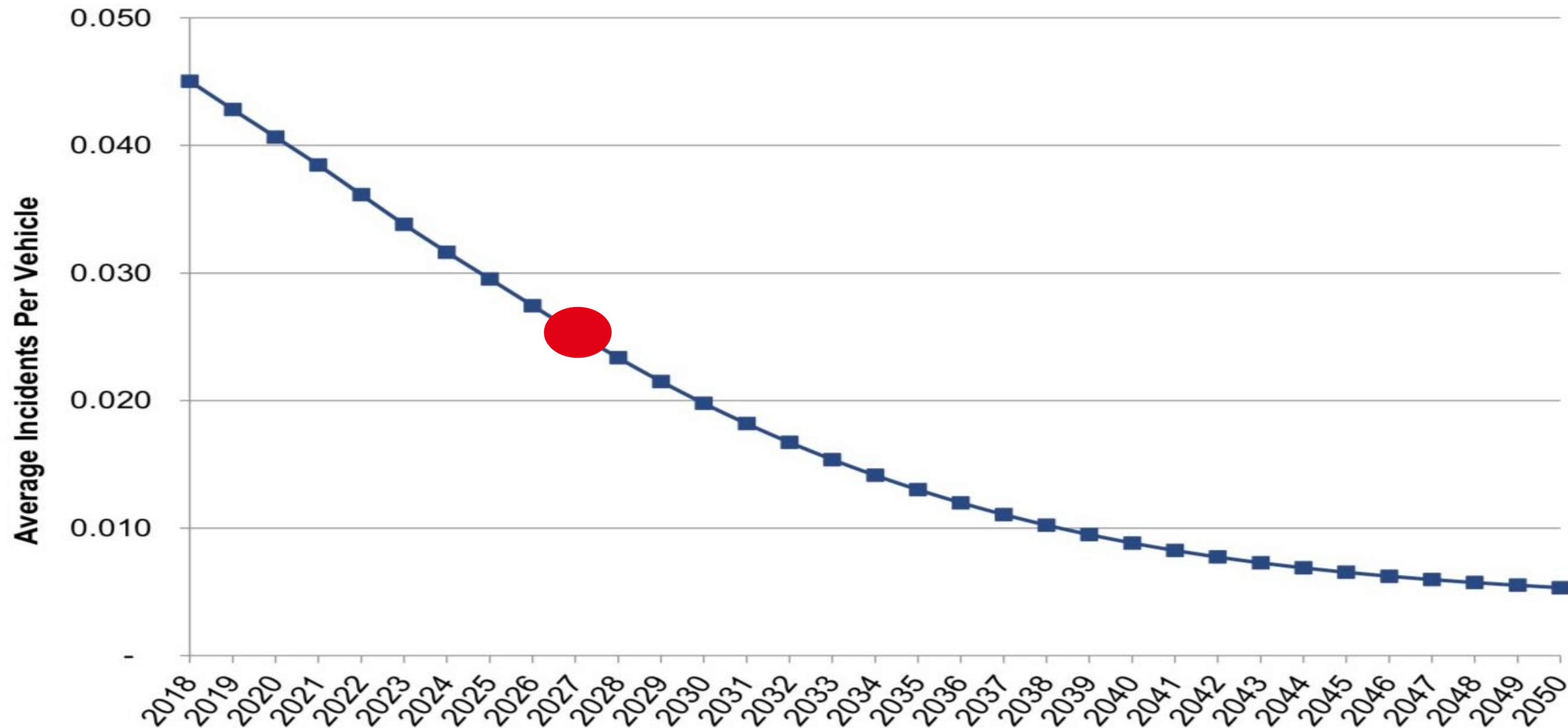
Levels of automation – timeline



2 Accident Frequency Could Fall Dramatically

The KPMG Actuarial Team estimates by 2050 a potential reduction in accident frequency of almost 90% through additive benefits from technology improvements and car stock conversion.

Updated Baseline Scenario - Accident Frequency Projection



Source: KPMG LLP – “The Chaotic Middle: Autonomous Vehicles and Disruption in Automobile Insurance” – June 2017

Questions





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Willis
Towers
Watson



AON





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Conference Luncheon

Coming up next...

Track 1

**“Strategies to Manage the
Opioid Epidemic: Partnering
with Your Pharmacy Benefit
Manager”**

Track 2

**“Tax Reform: Impact
Analysis”**



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Track 1



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Strategies to Manage the Opioid Epidemic: Partnering with Your Pharmacy Benefit Manager



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Strategies to Manage the Opioid Epidemic

Thomas F. Ryan

Senior Principal, National Practice,
Integrated Casualty Consulting
Willis Towers Watson
Moderator





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Strategies to Manage the Opioid Epidemic



Thomas F. Ryan
Senior Principal
Willis Towers Watson



Dr. Craig J. Ross
Regional Medical Director
Liberty Mutual Insurance



Nina McIlree, M.D.
Vice President, Medical
Management
Zurich



Laura O'Leary
Director Managed Care
Everest Insurance

2018 Casualty Insight Conference – Advisen

Strategies to Manage the Opioid Epidemic: Partnering with Your Pharmacy Benefit Manager (PBM)

March 29, 2018



2018 Casualty Insight Conference Panel

Thomas F. Ryan (moderator)
Senior Principal
Willis Towers Watson

Nina McIlree, M.D.
Vice President-Medical Management
Zurich Insurance Group

Laura O’Leary
Director-Managed Care
Everest Insurance

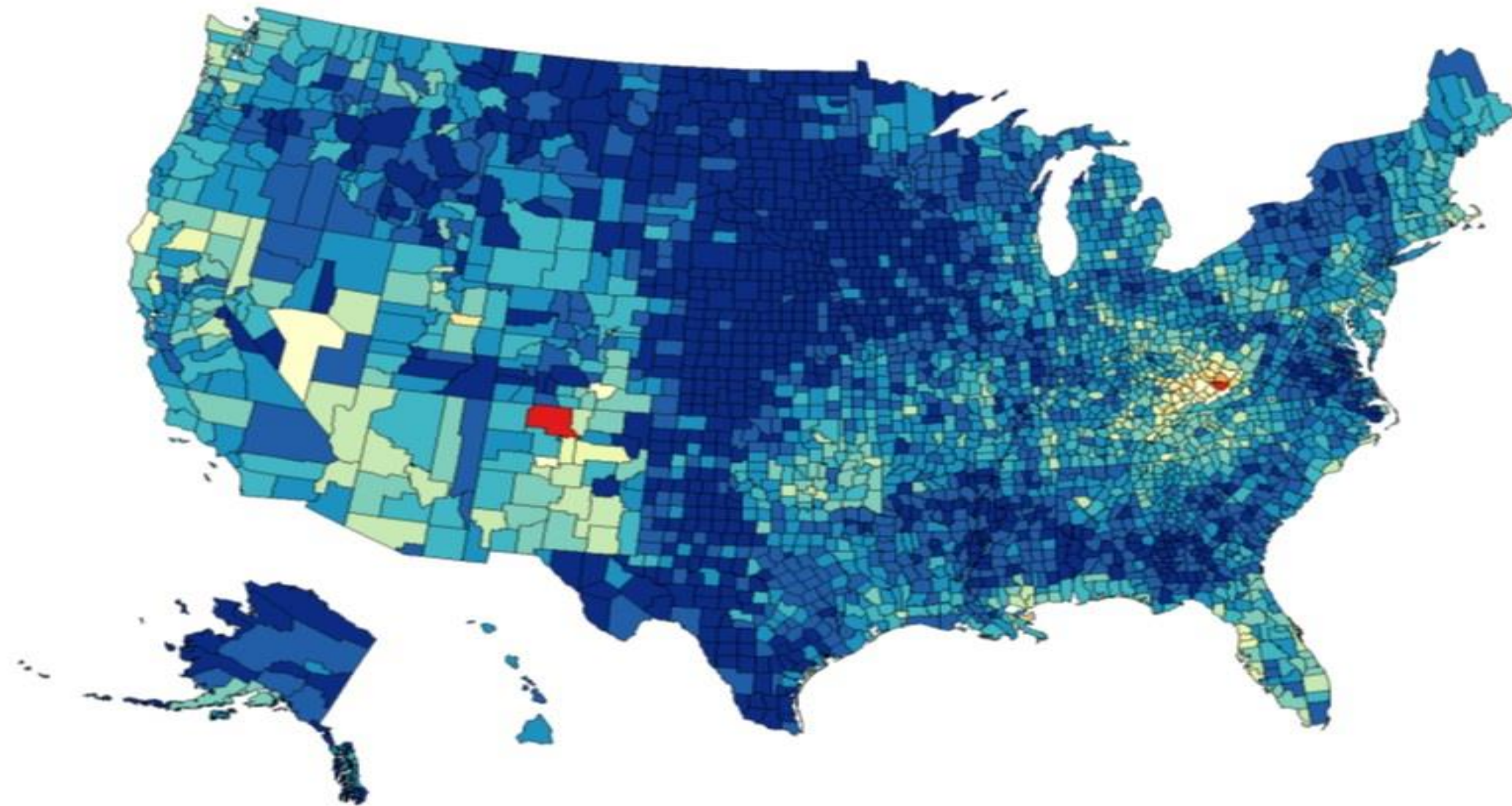
Craig J. Ross, DO
Regional Medical Director
Liberty Mutual Group

Overview of the Opioid Epidemic

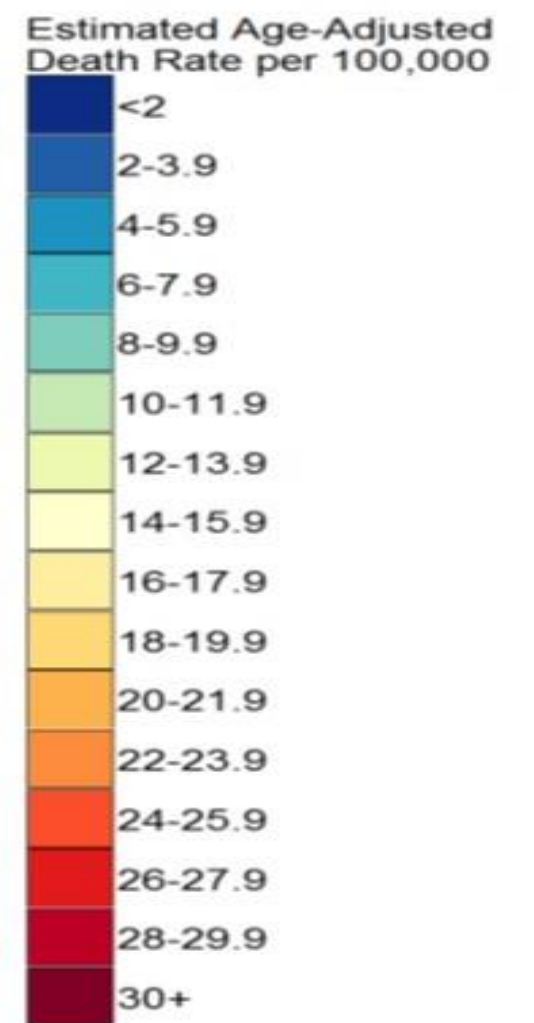
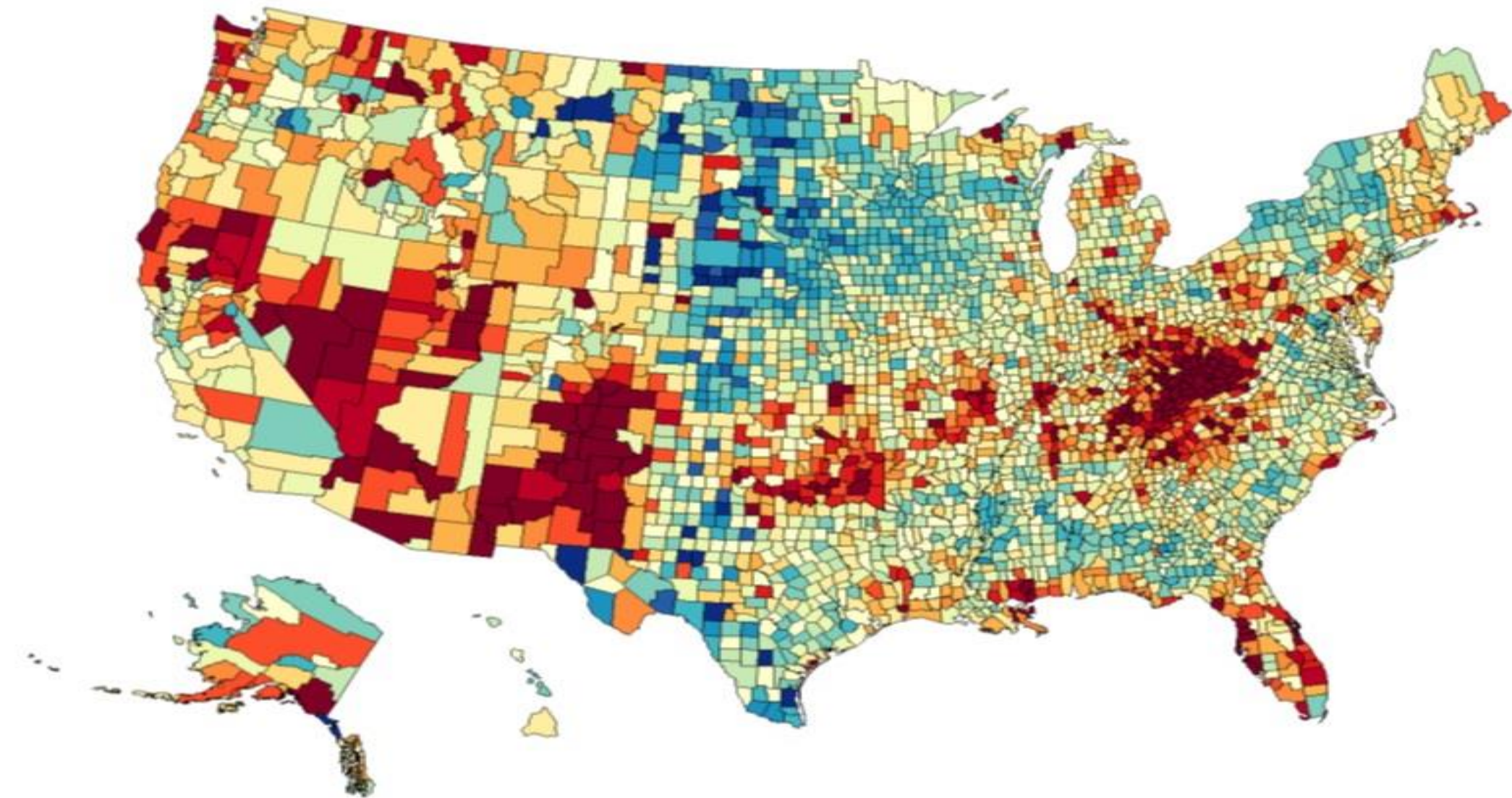
- **How Did We Get Here?**
- **What is the “Current State”?**

Centers for Disease Control (CDC): Overdose Death Rates

1999



2016



Designed by L. Rossen, B. Bastian & Y. Chong. SOURCE: CDC/NCHS,
National Vital Statistics System

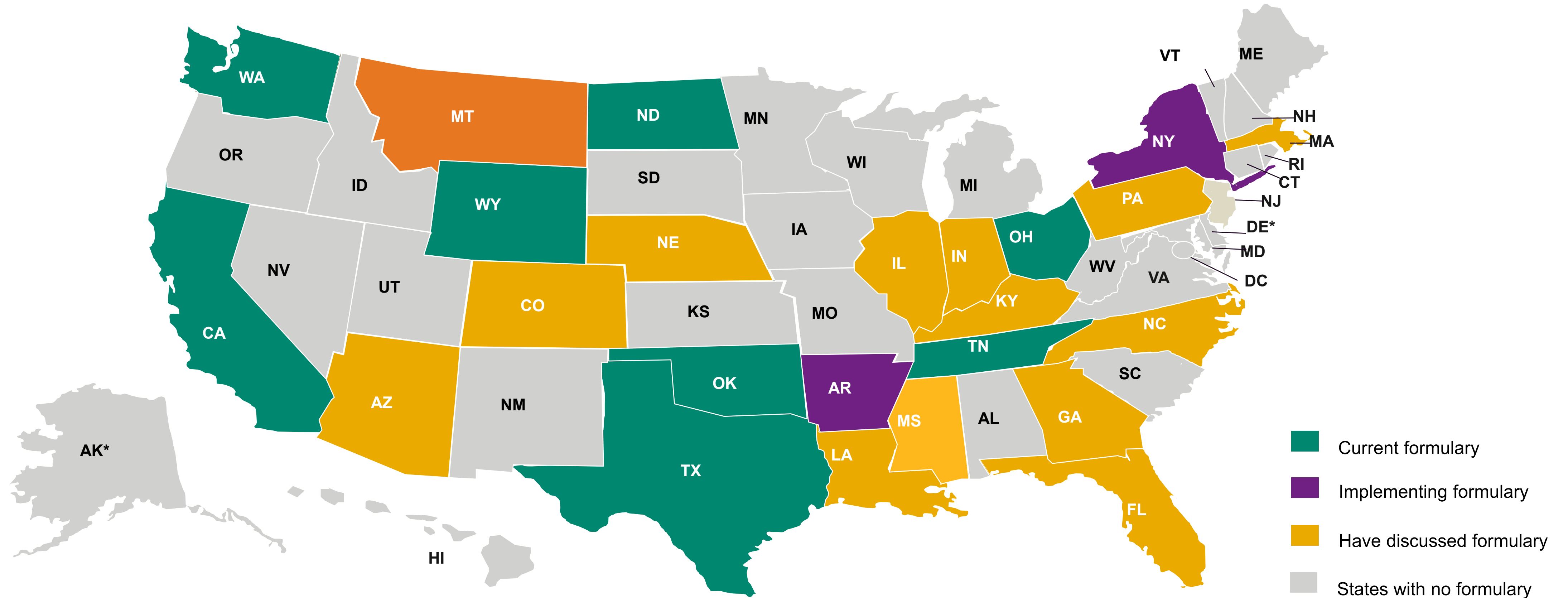
How PBMs and Carriers Leverage Data & Technology

- **Data Mining**
- **Predictive Analytics**

Additional Innovative Strategies PBMs & Carriers are Implementing

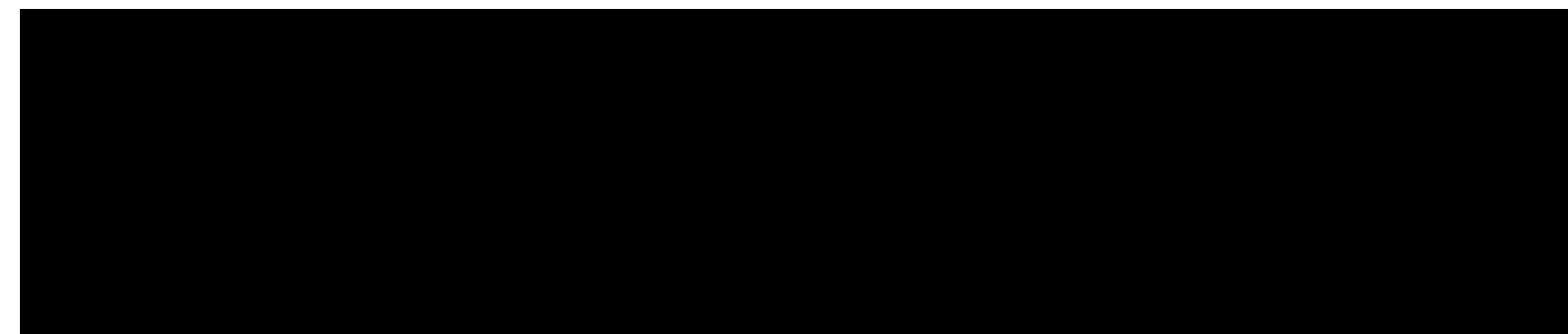
- **In-House Formularies**
- **“Peer to Peer” Review**
- **CDC Guidelines**
- **Physician Dispensing**
- **Urine Drug Testing in Pain Management**
- **State Prescription Drug Monitoring Programs (PDMP)**

Workers' Compensation Drug Formularies – March 2018



* Alaska and Delaware reference/adopt preferred drug lists (PDLs)

Questions & Answers





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Risk Financing and TPAs: Transparency and Pricing of Claims



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Risk Financing and TPAs



Leslie Batterson

Senior Claims Consultant and
Aon Optics Co-Thought Leader

Aon

Moderator



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Risk Financing and TPAs



Leslie Batterson
Senior Claims Consultant and Aon
Optics Co-Thought Leader
Aon



Mike Hessling
Executive VP – Chief Client officer
Gallagher Bassett



Tim Roberts
Vice President – Workers
Compensation Claims
Everest Insurance



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Adjusting to an Aging Workforce: Re-Engineer your Return-to-Work Program



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Adjusting to an Aging Workforce



Emil Metropoulos
**Senior Vice President – Workers’
Compensation & Terrorism Specialty**
Practice Leader
Guy Carpenter



Mary Tavarozzi
National Leader – Group Benefit
Practices
Willis Towers Watson



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Adjusting to an aging workforce: re-engineer your Return-to-Work program

An aging and changing workforce is changing the risk landscape – introducing new exposures to employers. This session will explore opportunities to revise your RTW program in light of these new exposures.

Emil Metropoulos

Senior Vice President – Workers' Compensation Practice Leader, Guy Carpenter

Mary Tavarozzi

National Leader – Group Benefit Practices, Willis Towers Watson



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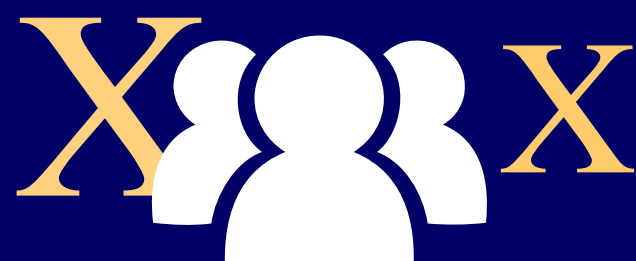


- The American workforce has grown older over the last two decades, and people above the age of 55 will soon represent more than a quarter of all US workers
- The aging of the workforce carries with it the potential for higher workers' compensation expenses for employers, driven by more costly injuries and illnesses and longer recovery times for injured workers
- In light of these demographic realities, employers can take several steps to limit their risk
- Forward-looking strategies that combine integrated wellness programs, job design, and ergonomics can help employers maintain a healthy, productive workforce, and reduce workers' compensation costs.



Engaging an aging workforce

Defining the population

Baby boomers	Generation X
	
1946 – 1963	1964 – 1979
Retirement Age in 2016: 53 to 70	Age in 2016: 37 to 52
U.S. estimated population: 76 million – 79 million	U.S. estimated population: 34 million – 40 million
Who are they? <ul style="list-style-type: none"> ▪ Individualistic ▪ Loyal ▪ Career-focused 	Who are they? <ul style="list-style-type: none"> ▪ Entrepreneurial ▪ Self-reliant ▪ Global-minded

- Older workers — those who are at or approaching the traditional retirement age of 65 — are the fastest-growing segment of the workforce and one of the fastest-growing groups in the overall population*
- Employees beginning their careers often have different physical, financial, emotional and personal needs than employees transitioning into retirement
- A 2015 study found that 73% of employees say they would value more personalized benefits geared toward employee age groups**

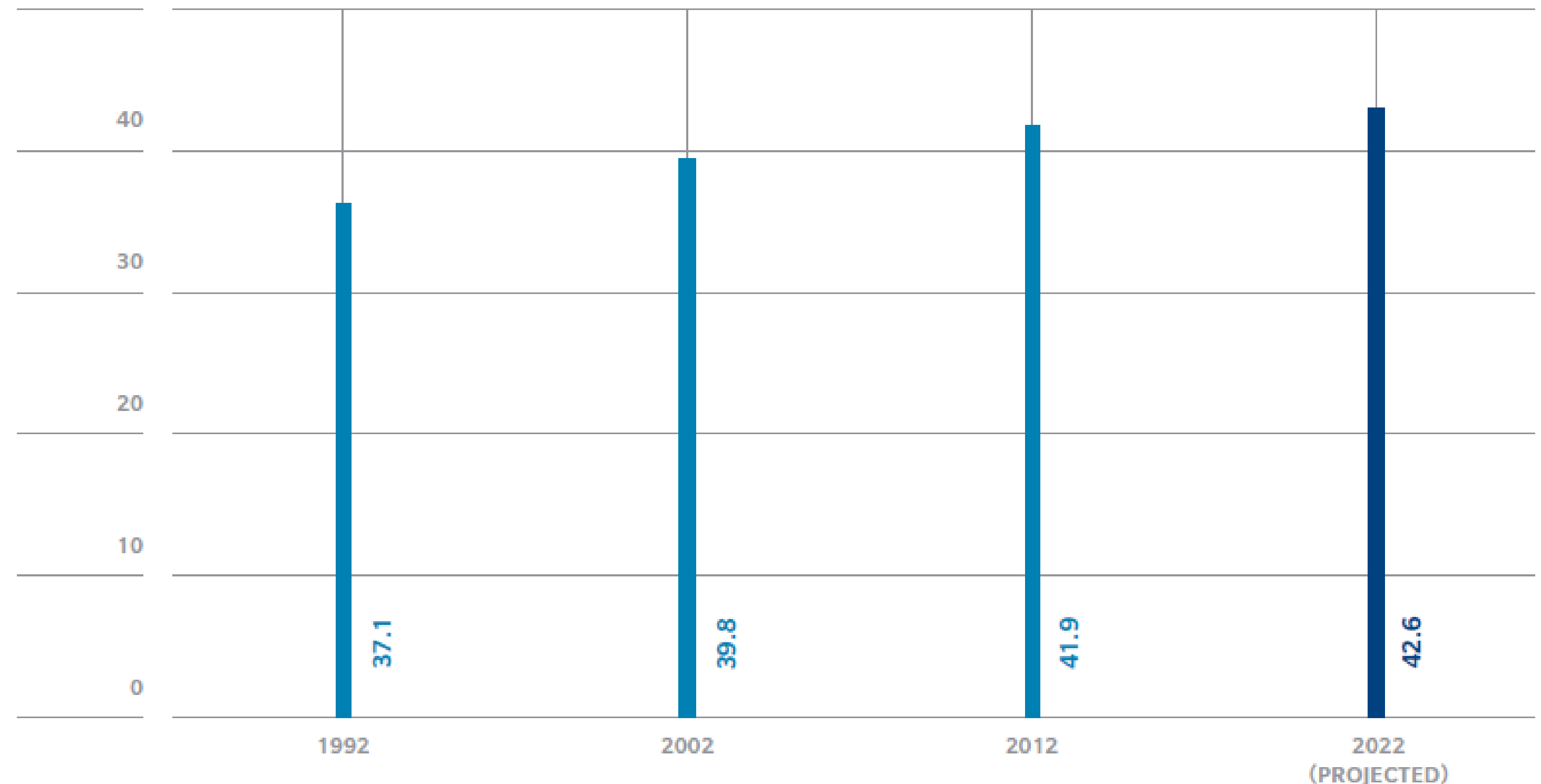
*Source – Harvard Business Review “Engaging Your Older Workers”

** Source – National Business Group on Health “Considerations for Health and Well-being Across Generations: Benefits, Programs and Engagement Strategies”



Median Age of the U.S. Labor Force

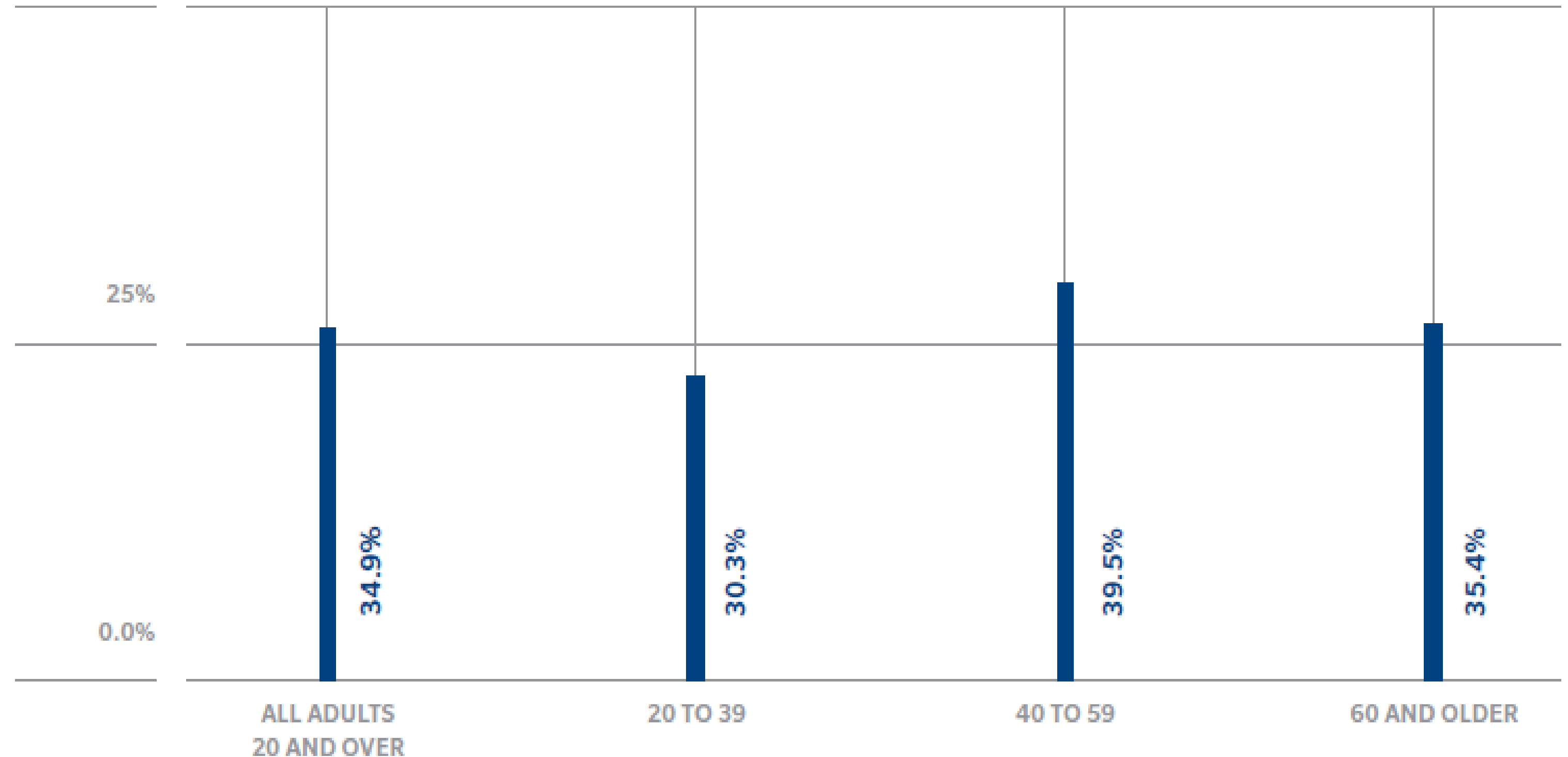
In 1992, the median age of the civilian labor force in the US (people 16 and up who are working or looking for Work) was 37.1, according to the US Bureau of Labor Statistics (BLS). Since then, the median age steadily increased to 41.9 in 2012, and is projected to reach 42.6 in 2022





Prevalence of Obesity among adults aged 20+ (2011–2012)

When older employees are injured on the job, the costs to employers can be much higher than when younger workers are injured. NCCI analysis of data from 1996 to 2007 shows that lost-time claims with temporary payments to 45- to 64-year-old employees cost 56% more than similar claims 20- to 34-year-old employees. In addition to higher wages for experienced employees, much of this additional cost can be attributed to the presence of comorbidities that are more likely to develop in older workers.





Population health highlights

About 76 million people were born during the baby boom years

13x

People ages 65 to 74 were diagnosed with Type 2 Diabetes, 13 times as often as people age 45 or younger

20.5M

Cataracts affects nearly 20.5 million American age 40 or older. By age 80, more than half of all Americas have a cataract or have had surgery

#1 & #2

Heart disease is the leading cause of death for men and women over age 60; followed closely by cancer

50%

After age 50, as many as half of all women will break a bone due to osteoporosis

6.5M

Depression affects more than 6.5 million Americans age 65 or older



Employers emphasize key clinical areas to improve member health and reduce costs

To what extent will your organization focus on the following clinical areas as a means of improving member health and reducing costs over the next three years?



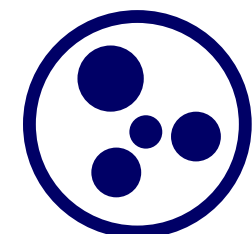
Metabolic Syndrome/Diabetes

76%



Musculoskeletal

69%



Cancer/Oncology

67%



Mental Health

65%



Maternity/Infertility

53%

Sample: Companies with at least 1,000 employees.

Source: 2017 Willis Towers Watson Best Practices in Health Care Employer Survey.

(% of 'To a very great extent', 'To a great extent' or 'To a moderate extent')



TOP 10 CLAIM DIAGNOSES FOR LOST-TIME CLAIMS WITH TEMPORARY PAYMENTS THAT CLOSED WITHIN 24 MONTHS OF DATE OF INJURY, ACCIDENT YEARS 1996-2007

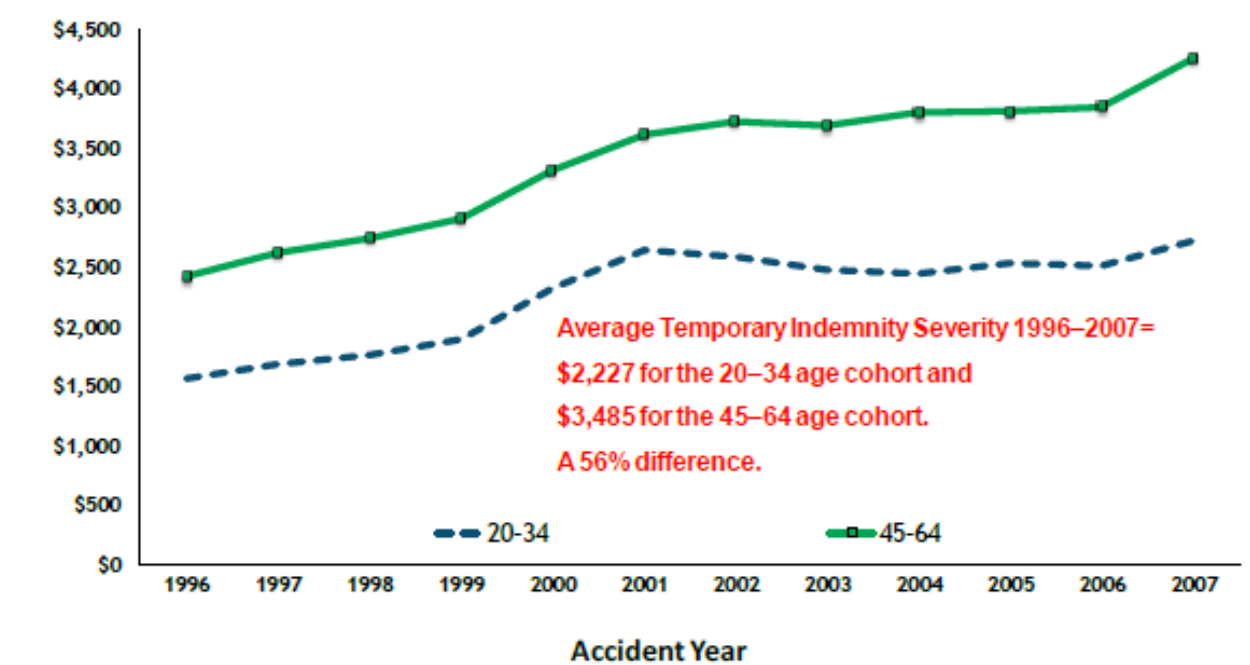
	AGES 20-34	AGES 45-64
1	Sprain lumbar region	Sprain rotator cuff
2	Lower leg injury, not otherwise specified	Unilateral inguinal hernia
3	Sprain of ankle, not otherwise specified	Carpal tunnel syndrome
4	Unilateral inguinal hernia	Tear medial cartilage/meniscus of knee
5	Cervicalgia	Lowerleg leg injury, not otherwise specified
6	Lumbar disc displacement	Sprain lumbar region
7	Carpal tunnel syndrome	Cervicalgia
8	Lumbago	Rotator cuff syndrome, unspecified
9	Sprain lumbosacral	Lumbar disc displacement
10	Sprain of neck	Lumbosacral neuritis, not otherwise specified



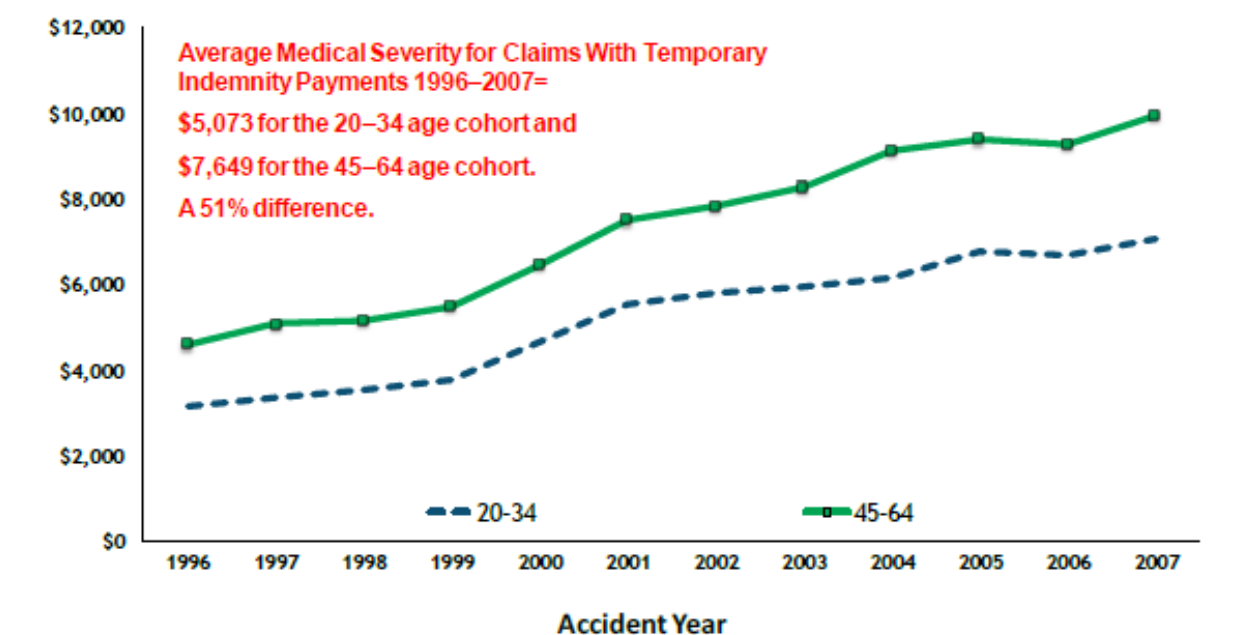
Higher Workers' Compensation Costs

- For employers, the good news is that older workers seem to be no more prone to work injuries than younger ones
- A 2011 report by the NCCI found that the frequency of workplace injuries and illnesses has declined since the mid-1990s for all age groups. And while in 1994 there was a sizable difference between the injury frequency of younger employees (age 20 to 24) and older workers (age 55 to 64), that gap had largely disappeared by 2009
- Older workers are often valued by employers because of their knowledge, skill, and productivity. If experienced employees are absent from work for extended periods of time — or retire as a result of injury — the resulting shortfall in qualified workers can be troubling, especially for a number of technical industries that are already under stress from economic and demographic shifts.
- For example, a 2013 report from the National Academy of Sciences noted that energy and mining companies will face challenges in replacing baby boomers who are expected to retire over the next several years. And a 2013 report from the NTAR Leadership Center at Rutgers University identified a similar concern for health care organizations as experienced physicians and nurses retire and demand for medical care grows.

Indemnity Severity
Was More Than 50% Higher for Older Workers
Lost-Time Claims With Temporary Payments
Closed Within 24 Months of Date of Injury



Medical Severity
Was More Than 50% Higher for Older Workers
Lost-Time Claims With Temporary Payments
Closed Within 24 Months of Date of Injury





Targeted wellbeing programs for an aging workforce

Medication Compliance and Polypharmacy

- Provide educational programs related to medication compliance and polypharmacy

Physical Activity

- Focus on physical activity and weight bearing exercises to reduce risk of injury

Weight Management

- Provide programs related to weight management to lower risk of complications such as Type II Diabetes and Heart Disease

Emergency Planning

- Create and share emergency planning documents with family and friends
- Develop them based on risk and diagnosis

Affinity Groups

- Development and promotion of affinity groups to minimize isolation
- Topics include grief and loss, travel, and dining out



Resilience Programs

- Implement resilience programs to help employees build the skills necessary to bounce back from stress and challenging circumstances

Financial well-being programs

- Offer financial well-being programs or benefits to employees to assist with planning for retirement or saving for the future



Targeted wellbeing programs for an aging workforce

Physical Well-being

Strategies to **reduce extended sitting** through sit-to-stand desks, exercise breaks during meetings and others

Programs related to **weight management**

Educational programs related to **medication compliance and polypharmacy**

Focus on **physical activity** and weight bearing exercises to reduce risk of injury

Emotional Well-being

Improve access to mental health services through telehealth and **teletherapy**

Establish a healthy workplace culture to **prevent suicides** among employees through promotion of mental health counseling, education on suicide warnings and response and others

Implementation of **Resilience programs** to help employees build the skills necessary to bounce back from stress and challenging circumstances

Social Well-being

Development and promotion of **affinity groups** related to grief and loss, travel, dining out and others

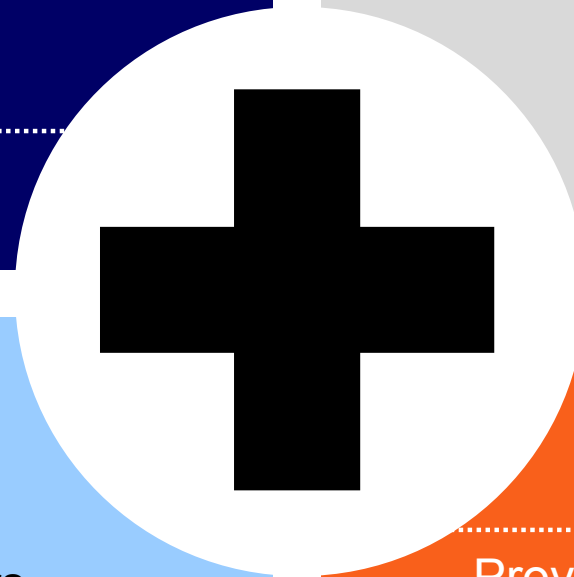
Offer **caregiving benefits** to provide flexibility for employees taking care of elderly parents or children

Introduce programs intended to **minimize isolation**

Financial Well-being

Provide access to **Employee Emergency Relief Funds** for employees facing financial hardship due to unexpected events like natural disaster, funeral expenses or others

Offer **financial well-being programs** or benefits to employees to assist with planning for retirement or saving for the future





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- ✓ **INTEGRATED WELLNESS PROGRAMS**
- ✓ **JOB DESIGN AND ERGONOMICS**
- ✓ **MANAGING THE EFFECTS OF AN AGING WORKFORCE**



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Track 2



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Tax Reform: Impact Analysis



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Tax Reform: Impact Analysis



Aidan Kelly
Associate Director
Aon
Moderator



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Tax Reform: Impact Analysis



Aidan Kelly
Associate Director
Aon



Philip Jacobs
Principal, National Insurance
Tax Sector Leader
KPMG



Michael Natal
Head of Regional Tax, Senior
Vice President
Swiss Re



P. Bruce Wright
Partner
Eversheds Sutherland

Tax Reform: Impact Analysis

High level for onshore insurance companies/CFC definition

- US corporate tax rate reduced from 35% to 21%
- Proration changes, especially for life companies
- DRD changes
- Reserve changes
- NOL changes
- CFC changes

High level “off-shore” changes

- New Base Erosion and Anti-Abuse Tax (BEAT) provisions
- Global Intangible Low-Taxed Income (GILT) – “super” subpart F
- Tightening of PFIC exception for insurance companies

A carrier’s perspective

- C-suite reactions
- Effects on business model: cash, capital, and tax, other
- Operational changes
- How to deal with questions and uncertainty...



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InsureTech: A game-changer, but how?



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InsureTech: A game-changer, but how?

Audrey Rampinelli
Senior Risk Executive
Vice President
Risk Management
Moderator



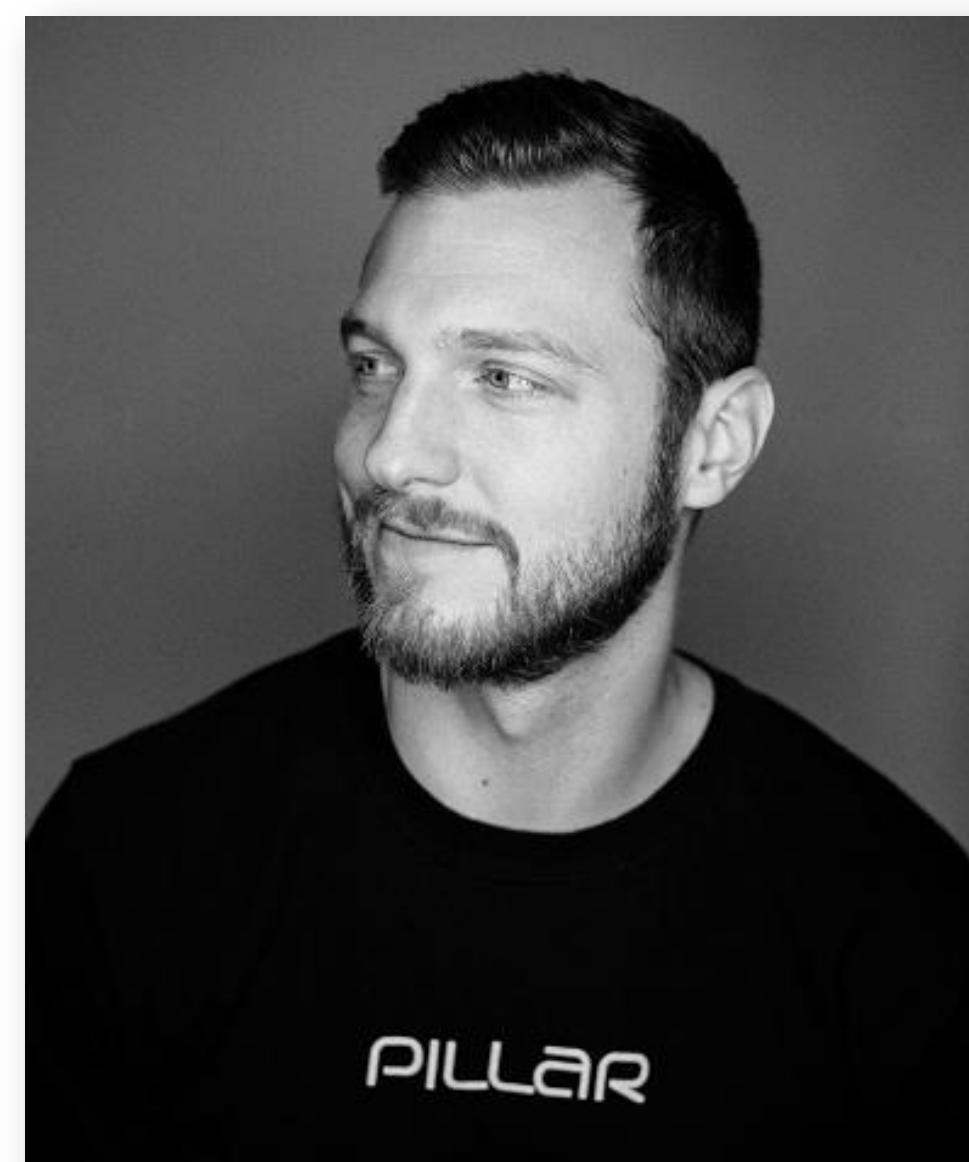
InsureTech: A game-changer, but how?



Audrey Rampinelli
Senior Risk Executive, Vice President, Risk Management



John Heveran
SVP and CIO of Commercial Insurance
Liberty Mutual



Alex Schwarzkopf
CEO, Co-Founder
Pillar Technologies, Inc



Sarah Street
Director of XL Innovate
XL Catlin



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The Gig Economy: Distinguishing between Employee and Contractors



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The Gig Economy

Barry Martin

Executive Vice President
Old Republic Risk Management
Moderator





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The Gig Economy



Barry Martin
Executive Vice President
Old Republic Risk Management



Jim Blinn
EVP, Client Solutions
Advisen



Temitope K. Yusuf
Partner
Arent Fox LLP



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Professional Liability of Freelancers

- No cases found
- Possibly covered by arbitration



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Auto Accident

- Vicarious liability
- Negligence, Negligent Hiring, Negligent Supervision and Negligent Retention
- Fraud (representations of safety)



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Auto Accident: Uber & Lyft

- Vicarious liability
- Negligent Hiring, Training, Retention & Supervision
- Products Liability



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Driver Assaults Passenger

- Negligence, Negligent Hiring, Negligent Supervision and Negligent Retention
- Fraud (representations of safety)
- Battery
- Assault
- False Imprisonment
- Intentional Implementation of Emotional Distress



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Passenger Injures/Assaults Passenger

- Negligence –
- Failed to have policy or procedure for protecting passengers
- Failed to warn of dangers of pool rides
- Failed to instruct drivers on protecting passengers



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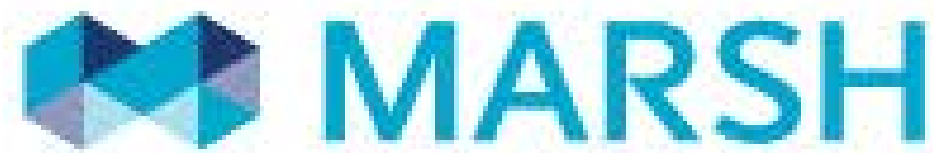
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Afternoon Break

Coming up next...

Afternoon Keynote



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Afternoon Keynote



Tony DeFelice
Managing Director and Casualty
Practice Leader
Aon



Brian Duperreault
President and
Chief Executive Officer
AIG



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Closing Remarks & Reception





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