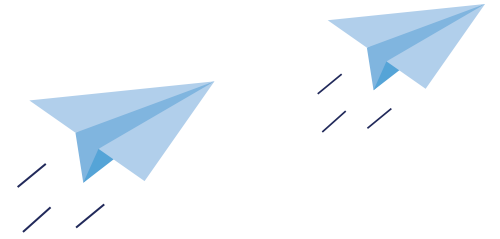


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JUNE 2021

THE GROWING PAINS OF THE CYBER INSURANCE MARKET

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Chairman's Message



Jerry Nicklow, AAI

To put it mildly, 2021 has been an interesting year so far.

The good news is that it looks like we are taking further steps back towards normal.

For Big I MD, that means we can look forward to an in person conference and installation happy hour on August 20th at the BWI Marriott. I don't know about you, but I am looking forward to face to face interaction again that does not include a computer monitor.

One thing that has not changed, and has probably gotten worse during the pandemic, are the cyber attacks on businesses and individuals.

Over the past year, there have been some major cyber attacks, including CAN and the most recent one on the Colonial Pipeline.

From talking to experts around the country our industry is viewed to be more prone to cyber attacks because of the amount of data that we collect and store for our clients. The data we collect from our customers has everything a cyber criminal will need

to sell to the identity thieves. And we collect the data for every adult in every household that we insure.

Think about it. We have names, dates of births, social security numbers for pretty much every adult in every household or business that we insure.

It is no surprise to me that our industry has been targeted by cyber criminals.

So, what can we do?

The first step is to protect your data. Work with an IT professional to take all of the up to date steps to protect your data and systems. If you talk to your IT folks about your firewall, they will tell you that there are daily attempts to get into your systems. I know I was surprised when I talked to our IT folks about it.

This step also includes training your staff to be diligent about what websites they visit and what emails that they open. There are great cyber training tools available to make sure your staff is up to date with the current phishing and cyber scams.

The second thing you can do is to make sure you have the best cyber insurance for your needs. We all know that even if you take every precaution necessary, breaches can still happen. A data breach can be very costly to recover from. The cost of a data breach could put you out of business if you do not have the right cyber insurance protection.

Big I Maryland has a couple of great cyber insurance options available to our member agencies. Please take time to look into them to make sure that you are protected.

These products are also available to offer to your clients. In today's world, data breach/cyber insurance should be part of almost any business insurance plan.

Let's do our part in being aware of cyber security and making our clients aware as well.

Thank you and have a great second half of 2021!

How the Biggest Cybersecurity Concern for Businesses is Changing Insurance

By *Olivia Overman*



The U.S. cyber insurance market is estimated to be worth \$2.5-\$3.5 billion annually and is expected to grow by another \$2 billion over the next three years, according to PwC's global cyber insurance survey. Major factors driving this growth include the increasing number of ransomware and cyberattacks as well as expanding government regulation with more states enacting new legislation around cyber insurance policies.

As the world entered a new era of work-from-home arrangements across all industries, cybercriminals were presented with new and ample opportunities, resulting in a changing risk landscape of ransomware attacks, data breaches, insurance claims and an overall increase in threat awareness.

"Ransomware is the biggest cybersecurity threat companies are facing today, followed closely by increased data privacy law enforcement," says Marc Voses, data privacy and cybersecurity partner, Clyde & Co.

In the first half of 2020, 41% of insurance claims in North America were related to ransomware attacks, making it a profoundly impactful form of cyberattack, according to Coalition's Cyber Insurance Claims Report.

"Ransomware requires a whole additional suite of incident response remediation and cybersecurity efforts," says Shawn Ram, head of insurance, Coalition Inc. "In a matter

of days, an adversary will hold your information hostage, causing general business interruption loss. If data is not appropriately segmented and backed up, the interruption of business—not being able to access customer data, not being able to run your business, not being able to access your computers—is debilitating."

Financial losses from ransomware attacks during 2020 were severe. The reported multimillion-dollar ransom payment made by Garmin after an attack took many of its products and services offline last year and the potentially serious risk to small businesses caused by the mail server software security holes announced by Microsoft in March are two of a growing list of costly high-profile incidents.

In testimony to the impact of cybercrime on every industry, Google announced its entry into the market in a partnership with two global insurers, Allianz Global Corporate and Specialty (AGCS) and Munich Re, to launch the Risk Protection Program, a partnership that will offer cyber insurance coverage and reduce cybersecurity risks for Google Cloud customers.

However, ransomware's widespread impact has led to major changes within the cyber insurance market—and thus a hardening market. "Among these changes is an end to the consistently increasing capacity and consistently decreasing rates

that we have seen for most of the history of cyber insurance," says Timothy Zeilman, vice president, global cyber products, HSB (The Hartford Steam Boiler Inspection and Insurance Company), part of Munich Re. "Instead, we are seeing increasing rates and more selective deployment of capacity as carriers seek to balance their portfolios and seek profitable business."

"We're seeing two things happen in the cyber insurance market: a re-analysis of the wording in policies to see which areas need to be narrowed in terms of scope of coverage, and what new areas can be developed," Voses says. "While we know general business interruption losses, contingent business interruption losses, as well as supply chain risks are not new to cyber insurance, they are being reviewed to see whether or not they can be tweaked to cover some additional risks that insureds are now seeing materialize in the marketplace."

While attacks on computer systems, viruses and data breaches have occurred for decades, 2020 was a turning point. "The change to remote working has both driven home the need for cyber insurance, as companies rely even more heavily on their IT infrastructure for basic operations, and has provided opportunities for cybercriminals to create new attack vectors and

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opportunities for fraud and social engineering," Zeilman says.

State government and law enforcement agencies are also taking notice with "some regulatory bodies now adding teeth to their cyber policy guidelines with concrete expectations and financial penalties for noncompliance," according to Cooper Wallach, vice president, specialty commercial underwriting, Fortegra Insurance and Rob Hegedus, CEO, Sera-Brynn Cybersecurity Risk Management.

Some such initiatives include:

- New York DFS Cyber Security Regulation

- California Consumer Privacy Act
- Virginia Insurance Data Security Act
- Securities and Exchange Commission's refinements to policies regarding incident response
- Department of Defense's implementation of DFARS 252.204.7012
- Department of Health and Human Services HIPAA Security Rule
- European Union General Data Protection Regulation
- National Association of Insurance Commissioners Insurance Data Security Model Law

Cyberattacks are becoming more and more prevalent and while we may be several years away from cyber truly becoming a core line, data indicates otherwise.

"The digital assets that we have as companies are far more valuable than losing, for example, a building which will quickly be rebuilt," Ram says. "The reputational damage and business interruption associated with a cyber event is prolific and becoming more real for businesses by the day."

Olivia Overman is IA content editor.

"This article was originally published in the April edition of Independent Agent Magazine"



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Duty to Defend Maryland



By Patricia McHugh Lambert, Esquire

This pandemic has gone on so long that I have watched and re-watched old television series involving lawyers. I have watched *LA Law*, *the Practice*, *Boston Legal*, *the Good Wife*, *Scandal*, *Suits* and countless episodes of *Law and Order*. While those shows oftentimes deal with issues of political intrigue, corporate corruption and complicated family drama, none of the shows that I have seen have dealt with the more common place issue of when an insurer must provide an attorney to defend its insured.

Perhaps that is because the issue is too mundane to be the topic of a television show. Or perhaps it is because insurance defense attorneys do not have the same small screen *joi de vivre* as corporate litigation sharks. Whatever the reason for the lack of television time for this issue, in the real world of insurance, the duty to defend is critical for both insureds and insurers.

The reason for this is simple. Litigation is expensive. Most individuals and main street corporations do not have the tens of thousands of dollars to pay a lawyer to defend them in litigation. Consequently, they turn to their insurance companies requesting that a lawyer be hired for them. Insurers are generally willing to provide defense counsel to the insured if the lawsuit clearly falls within the four corners of the insurance policy. The coverage

issue respecting an insurer's duty to defend occurs when the lawsuit is murky, which makes a determination as to what is and is not covered difficult.

As noted by the Maryland Court of Appeals in *Brohawn v. Transamerica Ins. Co.* and other subsequent cases, an insurer has an affirmative obligation to defend if there exists a "potentiality" that the claim could be covered under the policy. If there is any potentiality of coverage, no matter how slight, the insurer has a duty to provide the insured with a lawyer. In determining whether there is this potentiality, the allegations of the complaint must be viewed broadly and compared with the coverages under the policy. In addition, the insured, in order to establish the potentiality of coverage, may present extrinsic evidence to establish the potentiality of coverage. As noted in *Griffin v. Chicago Title Ins. Co.*, while an insured may present extrinsic evidence to establish the potentiality of coverage, an insurer cannot generally consider extrinsic evidence in order to deny a duty to defend. (Such evidence may, however, be considered in determining whether there is a duty to indemnify.)

In making the determination as to whether there is a duty to defend, the Maryland courts have set forth a number of rubrics:

- As noted in *Marvin J. Perry, Inc.*, all doubts as to whether

there is a duty to defend must be resolved in favor of the insured. However, the insured is not permitted to present a frivolous defense to establish a duty to defend, but instead must offer a reasonable basis that the extrinsic evidence supports the argument that the claim is potentially covered under the policy.

- As noted in *Moscarillo and Parts, Inc.*, the insured "may not extract stray phrases out of letters and discovery to transform allegations into coverage-triggering claims."
- Even if the lawsuit does not allege enough facts to establish whether the claim is or is not covered, the insurer may, under *Mount Vernon Fire Ins. Co.*, have a duty to defend.
- The insurer has the burden of proving that a specific exclusion in the policy precludes the claim from being covered under the policy as set forth in the case of *Ace Am. Ins. Co.* An insured may present the insurer with evidence that the exclusion might not apply and this can create a potentiality of coverage.
- The insurer, as set forth in the *Gemini* case, may use uncontroverted extrinsic evidence from the underlying lawsuit if such evidence clearly establishes that the suit's

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allegations are beyond the scope of coverage.

- As set forth in *Utica Mut. Ins. Co. v. Miller*, if any claims alleged in the complaint potentially come within the policy coverage, then the insurer is obligated to defend all claims in the complaint (i.e. both covered and non-covered claims).

Once the insurer decides to provide a defense, there are sometimes issues as to whether the insurer may provide a defense using in-house counsel, an outside attorney that is on the insurer's panel list or the insured's own choice of

counsel. As set forth in *Allstate v. Campbell*, Maryland law generally holds that an insurer has the right to select counsel and to control the defense of the litigation at issue. Sometimes, however, there is an actual or potential conflict of interest between the insured and the insurer. A reservation of rights letter does not in and of itself establish a conflict that would allow an insured to choose its own counsel. Rather, only in very limited fact-specific situations will the insured have the right to select its own counsel and have an insurer pay a reasonable fee for such defense costs.

These duty to defend rules are

complex and sometimes difficult to navigate. The more difficult the issues concerning the potentiality of coverage, the more likely there will be lawyers involved for both the insured and the insurer. While none of these coverage issues are theatrical enough ever be the subject of a television show, there is drama in their resolution. After all, the costs are litigation is high and someone has to pay the lawyers involved.

The Growing Pains of the Cyber Insurance Market

By *Steve Robinson*

The overall state of the cyber insurance marketplace is much like that of a growing child. It is maturing at a very rapid pace and is currently in its teenage years—complete with mood swings, the search for identity, irrational behavior, limit-testing and drained wallets.

Like teenagers, the cyber market has its own bad influences. Namely, claims, which are increasing in type, frequency, and severity. The number of cyber claims has doubled over a two-year period, reaching approximately 18,000 in 2019, according to an A.M. Best report.

The pandemic has only widened the attack surface in the work-from-home environment, broadening the opportunities for business email compromise. This has led to a significant increase in social engineering and wire fraud claims with funds being distributed to cybercriminals at an alarming rate.

Meanwhile, ransomware is the neighborhood bully. Having evolved from the early days of “spray and pray” emails that distributed malware indiscriminately to thousands of individuals, hoping a few would click the link and pay hundreds of dollars each, the average ransom paid is now more than \$200,000, according to “Trends in Ransomware and Doxing H1 2020 Review” by Kivu in partnership with Hiscox.

In most cases, when a ransom is paid, the decryption key is released. But the industry is now beginning to see outliers, such as an insured who pays the negotiated ransomware payment but does not receive the decryption key, allowing the perpetrator to



resurface and demand the original amount again.

Further, ransomware has evolved beyond the exchange of bitcoin for decryption keys to include more traditional extortion demands to prevent the release of private information, corporate secrets or incriminating evidence.

As losses have developed in frequency and severity, those carriers that have been in the cyber market the longest have developed a level of maturity that the newcomers have yet to realize. As a result, market-leading insurers are either strategically increasing rates on select industry classes, such as healthcare, manufacturing, public entity, education and construction, or issuing portfolio-wide increases ranging from 20% to 60%. Some carriers have implemented increases of 100% or more to help improve their underwriting performance in certain classes.

The industry has also witnessed the exodus of some insurers from certain classes of business, or even a complete withdrawal from the cyber market.

As the long-standing cyber markets make necessary adjustments, some of the newer entrants to the marketplace continue to engage in a virtual race to the bottom in the rates and retentions they are seeking from small and medium-sized enterprises. Time will tell if they experience the same results as their more seasoned peers but so far, there is nothing to suggest they won't. Broad coverage plus low premiums plus a constantly evolving threat leads to low or no profits.

For larger-scale risks, insurers have significantly increased the availability of risk management resources, such as tabletop exercises enabling insureds to simulate

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Data Security, Cybersecurity, and Privacy Laws: How to Handle External Vendors



By *Spencer S. Pollock, Esq., CIPP/US, CIPM*

Unfortunately, there is no national or international standard when it comes to data security, cybersecurity, and privacy laws ("laws"). Organizations are left to sort out compliance obligations from a myriad number of confusing and rapidly evolving laws. Trying to keep pace and compliant internally is a difficult task alone. However, in general, most of these laws require that an organization ensure that each of their third-party service providers ("vendors") are also compliant with the same laws and contractually obligate each to have reasonable data security safeguards in place.

Mostly, vendors are any external company that your organization works with and has access to your systems and information relating to their past and current employees and clients. Vendors would include but are not limited to external companies that perform services such as:

- Accounting
- Banking
- Contractors
- Credit Card Transactions
- Cybersecurity
- Employee Screening
- Health Insurance
- Human Resources
- Marketing
- Payroll

When I begin to discuss vendors with organizations, it becomes a daunting

task. Imagine how many external vendors an organization works with, and the steps each needs to take to ensure vendor compliance. However, the importance of selecting the appropriate vendor and doing the due diligence cannot be overstated. Approximately 56% of data breaches originated with a vendor, and the cost of a data breach increases by \$370,000 when it arises with a vendor.

Organizations should take the proactive approach to vet their vendors to best prevent and mitigate the potential financial, reputational, and legal harms associated with a data breach originating with a vendor.

To start, I recommend organizations attack the issue by following three steps:

1. Inventory & Information
2. Rank & Prioritize
3. Contractual Requirements

Inventory

Organizations should bring together key personnel across all departments that have decision making power when selecting vendors. Once gathered, start making a list of each of the external vendors, the purpose of each, the information each can access, and whether or not a contract exists.

It is necessary to include legal and IT in this process. However, as all internal legal and IT will attest, their responsibilities are widespread and demanding, which could prevent both from dedicating the time and resources necessary to vet an

organization's vendors properly. Organizations should evaluate whether retaining external legal counsel and a cybersecurity firm that can focus on vendor vetting is appropriate and feasible to handle this responsibility effectively.

Rank/Prioritize

Commonly, organizations do not have the resources to perform "deep dive" investigations and due diligence on each of their vendors. Taking into account the financial and time constraints, organizations should rank and prioritize the vendor list based on "pain points." Pain points are a simple way of saying, "if a breach occurred, what vendors can cause the organization the most harm."

I counsel organizations to start with their external cybersecurity company because these vendors hold the keys to the castle. Organizations should not assume that, simply because a firm specializes in cybersecurity, they are compliant with the applicable laws. This assumption could lead to potentially devastating consequences.

Beyond cybersecurity firms, I recommend that organizations focus on vendors that can access personally identifiable information, non-public information, personal health information, or personal data ("sensitive information") about employees and clients (both past and current). Sensitive information could include, but is not limited to, social security numbers, credit card

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numbers, and access pins, bank account information, medical and health information, health insurance information, & biometric data.

Review Contract Provision

Before performing an intensive review of every vendor contract, organizations should examine the following provisions:

- Data Security (i.e., reasonable safeguards)
- Data Disposal
- Indemnification

There are many more provisions to consider and analyze, but these three are essential for

several reasons. First, under most laws, organizations that fail to contractually obligate vendors to have reasonable safeguards to protect sensitive information are non-compliant with the law. Second, organizations need to ensure that once a vendor contract ends, the vendor properly disposes of sensitive information within a reasonable time. Finally, in the event of a data breach originating with a vendor, vendor contracts commonly include language indemnifying the vendor from liability by pushing it upstream to the contracting organization. Careful consideration should be made towards renegotiating this clause to either shift the responsibility downstream (i.e., to the vendor) or

share in the potential liability.

The positive impact of doing due diligence and vetting your vendors should not be underestimated. Beyond potentially protecting your organization from the financial, reputational, and legal harm, it provides a level of confidence to your employees and clients that you are taking reasonable steps to protect and safeguard their sensitive information.

Spencer S. Pollock, Esq., CIPP/US, CIPM is an attorney at Whiteford Taylor Preston, LLP.

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cyber events under a variety of real-world scenarios, network penetration testing, scans for remote desktop protocol, employee awareness training, and more. Those organizations that make a priority of engaging their key stakeholders at every level stand to benefit greatly from these exercises.

So, will this teenager ever grow up?

The cyber insurance marketplace has been at an inflection point for some time, and it continues to react to the ever-changing threat landscape. Capacity is tightening in the small-to-midsize enterprise sector. For larger risks, building large towers of cyber insurance coverage requires more marketing and participants than it did even one year ago.

Pricing in the public entity space has doubled in many cases, while

limits have been cut in half for those with less than favorable loss history. Several carriers have exited this sector altogether.

More highly regulated industries, such as healthcare, finance and retail, continue to remain attractive targets for cybercriminals, and there is no sign of any broadening of terms and conditions, pricing or capacity in these areas.

Cyber carriers are taking numerous actions to address deteriorating loss ratios, such as hiking premiums; reducing coverage limits; increasing retentions; and requiring incident response plans, employee training and better controls in the areas of data segregation, access and backup. We are also seeing the return of sublimits on first-party coverages, a trend that is expected to continue.

As cybercrime has skewed away from commoditizing personal information

on the dark web to pursuing more targeted and lucrative extortion methods, the pain has been felt by organizations of all sizes. As a result, cyber insurance has become an indispensable part of the risk management equation.

Steve Robinson is national cyber practice leader at Risk Placement Services. To learn more about the cyber insurance market, read the full white paper: The Evolution of the Cyber Insurance Market: Welcome to the Teenage Years.

"This article was originally published in the April edition of Independent Agent Magazine"

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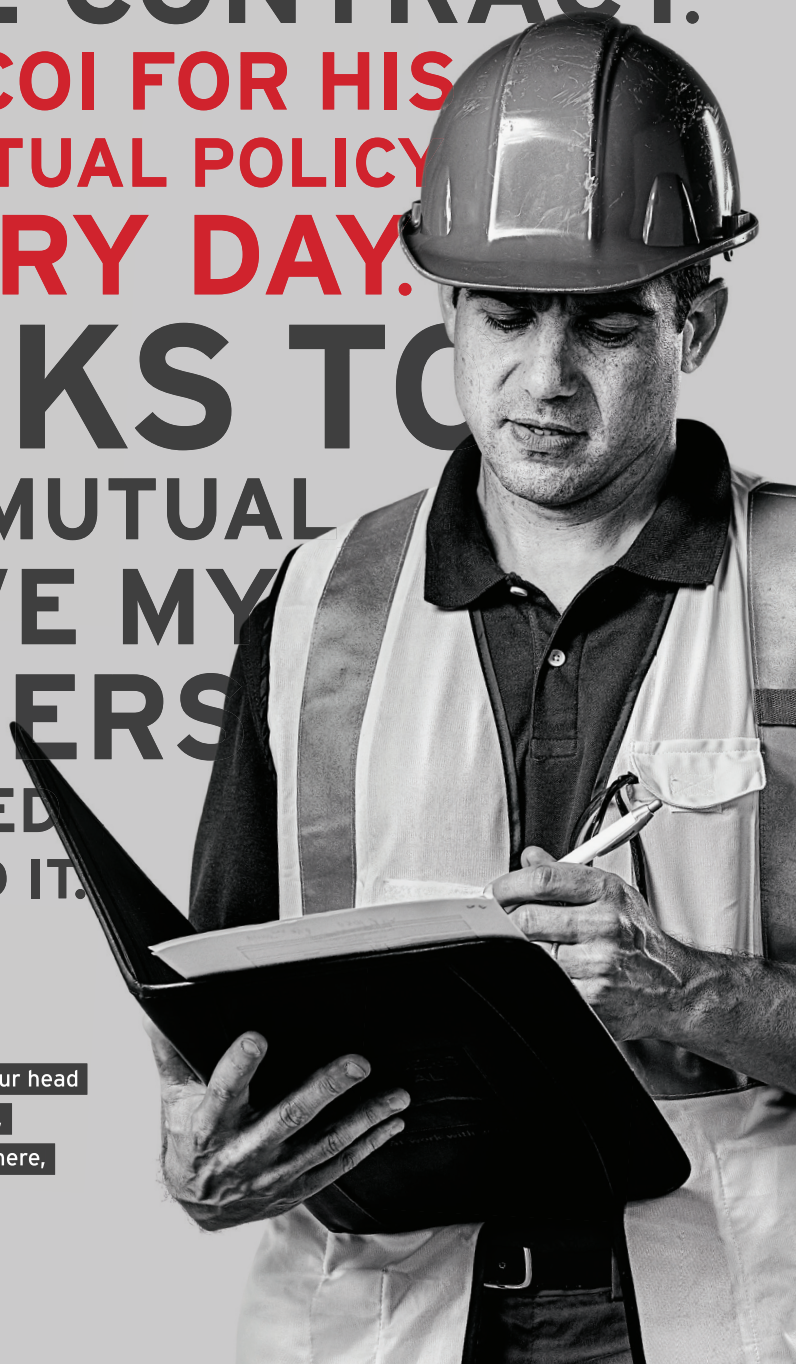
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An Overview of the 2021 Maryland Legislative Session: **Virtually Unprecedented**

By **Brett LININGER, Esq., IIAMD Legislative Advisor**
Contributing Author Derrick Covington



It seems like in recent years, every time I write this post-session article, the world has changed dramatically. I guess that is because it really has, at least in Annapolis. Back in 2019, the

legislature lost an icon when Speaker Michael E. Busch, the longest serving in that capacity in Maryland's history, passed away on the day before Sine Die after complications stemming from a liver transplant in 2017 for a condition he said was an adverse reaction to skin cancer medication. Additionally, on the first day of that session, Senate President Thomas V. Mike Miller, Jr. announced he had been diagnosed with stage 4 prostate cancer.

During that interim, the Maryland Senate announced the selection of Bill Ferguson as the replacement for Miller, who voluntarily stepped down due to his declining health. Miller, who was the longest serving Senate President in Maryland and U.S. history, shortly thereafter was named President Emeritus by his colleagues in the Senate. If those events weren't enough, the legislature adjourned the 2020 session nearly a month early due to the rapid spread of COVID. This was the first time since the Civil War the Maryland legislature ended the legislative session prematurely.

The 2021 legislative session was marked by the very unique circumstances unfolding around the world and the country. Due to the restrictions placed on society because of COVID, the Maryland General Assembly held its legislative session in a quasi-virtual manner. The Senate

met for session on the Senate floor in partitioned booths that resembled ice hockey penalty boxes. Due to the volume of members in the House, they held off having in person sessions for the first month of session.

When the House did start to meet in person, members were spread about on the House floor as well as in an Annex created in the House office building and they did not meet every day like they normally do. Committee bill hearings, subcommittee meetings, and voting sessions were held virtually in the House. The Senate was able to do voting sessions in person with masks and partitioned from one another. For the first time, voting sessions were made available to the public via an online portal. Despite the logistics, the Senate and House leadership and staff deserve a great deal of credit for making the most out of a very difficult situation.

The main issues being dealt with for session were COVID related matters ranging from protection of employees to workers compensation presumptions. Police reform and education funding, including sports betting, also topped the agenda. Below is a list of bills that either passed or were of significance to the BIG I MD membership to keep you informed about what was debated

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this session and likely to be in the coming years.

Enacted Legislation

House Bill 519, Vehicle Equipment - Safety Glass - Replacement Standards

This bill requires the Motor Vehicle Administration to adopt regulations establishing standards and requirements for aftermarket safety glass replacement that must (1) require that the products and services used meet or exceed original equipment manufacturer specifications; (2) require the use of motor vehicle safety glass that meets certain specifications approved by the American National Standards Institute, in accordance with relevant federal regulations and standards; and (3) meet or exceed the standards and requirements of the American National Standards Institute/Auto Glass Safety Council/Automotive Glass Replacement Safety Standard. The legislation will take effect on October 1, 2021

House Bill 581/Senate Bill 486 (failed), Labor and Employment - Employment Standards During an Emergency (Maryland Essential Workers' Protection Act)

Crafted as a response to the coronavirus pandemic, this emergency legislation creates protections for essential workers during a catastrophic health emergency. It also establishes the responsibilities for the employers of essential workers, some of which include providing paid leave if the federal or state government provides funding for public health emergency leave, providing safety equipment, and complying with existing safety standards. The Maryland Department of Labor must enforce this bill and adopt an emergency temporary standard to deal with the COVID-19 pandemic,

while the Maryland Department of Health is required to adopt a health emergency preparedness plan. Both agencies must submit a report on or before October 1, 2021 regarding recommendations for potential legislation to better their enforcement capabilities during a catastrophic health emergency.

Noteworthy Failed Legislation

House Bill 117/Senate Bill 217, Maryland Personal Information Protection Act – Revisions

This legislation would have required the owner or licensee of computerized data to notify the individual of the breach of the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of the personal information maintained by a business unless the business reasonably determines that the breach of the security of the system does not create a likelihood that personal information has been or will be misused. It also required a business, credit card processor, or vendor to take reasonable care to protect against unauthorized access to personal information connected to a credit or debit card. A business or credit card processor that fails to comply is liable to the financial institution that issued the credit or debit card for reimbursement of the actual and reasonable costs related to the reissuance of a credit or debit card if the failure is found to be the proximate cause of a breach of the security of a system.

House Bill 168/Senate Bill 552, Motor Vehicle Insurance Use of Credit History Rating Policy

Previously introduced in the 2019 Legislative Session, this bill would specify that credit history may not be used to rate a risk in any manner, including: the provision or removal of a discount; assigning the insured or

applicant to a rating tier; or placing an insured or applicant with an affiliated company. The House bill received an unfavorable report in the House Economic Matters Committee.

House Bill 221, Motor Vehicle Insurance - Use of Credit History in Rating Policies

This bill, which has been previously introduced during 2020 Legislative Session, required a private passenger motor vehicle insurer that uses credit information, on written request from an applicant or insured, to provide reasonable exceptions to the insurer's rates, ratings, classifications, company or tier placement, or underwriting rules or guidelines for an applicant or insured who has experienced and whose credit information has been directly influenced by specified events that are generally out of the control of the applicant or insured. If an applicant or insured submits a request for an exception, an insurer, in its sole discretion may (1) require written and independently verifiable documentation; (2) require the applicant or insured to demonstrate that the event had direct and meaningful impact on the applicant's or insured's credit information; (3) require the request to be made no more than 60 days from the date of application for insurance or the policy renewal; (4) grant an exception despite the applicant or insured not providing the initial request for an exception in writing; and (5) grant an exception where the applicant or insured asks for consideration of repeated events or the insurer has considered this event previously. While this bill did pass through the House, it died in the Senate on the third reading. The bill, as amended by the House Economic Matters Committee and adopted by the Senate Finance

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Committee, was an alternative approach to resolve this perennial issue until after the next election. It will most certainly be back in the 2022 legislative session.

House Bill 350, Labor and Employment – Maryland Healthy Working Families Act – Verification

This bill, which was introduced in a prior session, would have authorized an employer to require verification that earned sick and safe leave is used appropriately when the leave is used during the period between the first 107 and 120 calendar days that an employee was employed by the employer – if the employer provided written notice about the verification requirement at the time the employee was hired, instead of as mutually agreed upon at the time of hire as specified under current law. An employer would have been able to deny an employee's request to take earned sick and safe leave during that period if an employee failed or refused to provide any verification required by the employer that the leave was used appropriately. The bill was withdrawn by the sponsor in the House.

House Bill 508/Senate Bill 210, COVID-19 Claim - Civil Immunity

If passed, this bill would have provided immunity from civil liability for claims related to COVID-19 for all who follow applicable federal, state, and local rules and regulations regarding COVID-19, so long as the person's actions do not amount to gross negligence or intentional wrongdoing. A person would still have immunity if there were an isolated, minor deviation from strict compliance with COVID-19 rules and regulations that are not related to the plaintiff's injuries. Immunity granted under the bill would not (1) create, recognize, or ratify a claim

or cause of action; (2) eliminate a required element of any claim, including causation and proximate cause elements; (3) affect rights, remedies, or protections under the Maryland Workers' Compensation Act, including the exclusive application of that Act; (4) amend, repeal, alter, or affect any other immunity or limitation of liability; or (5) create a defense to liability in an administrative proceeding or civil action brought by a State or local government prosecutor or agency to enforce State statutes, regulations or orders applicable to COVID-19.

House Bill 641/Senate Bill 580, Homeowner's Insurance - Weather-Related Claims

This bill would prohibit a homeowner's insurer from considering a claim for a weather-related event for the purpose of canceling or refusing to renew coverage for a policy if the claim is (1) for an amount of loss that is less than the insured's deductible under the policy or (2) resolved with no payout to or on behalf of the homeowner by the insurer. After passing in the House, it did not make it out of the Senate Finance Committee.

House Bill 1251/Senate Bill 805, Motor Vehicle Insurance – Rate Filings – Discrimination, Trade Secrets, and States of Emergency

This legislation would have authorized the Insurance Commissioner to require a private passenger motor vehicle insurer to reduce the rates for its policies (and file the changes to those rates) if the Governor declared a state of emergency by either executive order or proclamation. It would also repeal the authority of a private passenger motor vehicle insurer to take specified actions based wholly or partly on the territory of the insured or applicant. Additionally, the bill sought to repeal the ability of property and casualty insurers to identify that part of a rate

filing includes "proprietary rate-related information" that must be kept confidential.

Private Passenger Automobile Insurance – Rating

The bill would have prohibited a private passenger motor vehicle insurer from using an applicant's or insured's territory to refuse to underwrite, cancel, refuse to renew, rate a risk, or increase the renewal premium for a motor vehicle insurance policy.

Filing of Proprietary Rate-related Information by Property and Casualty Insurers

This bill would have repealed authorizations and procedures related to proprietary rate-related information. This would have allowed for supporting information to be open to public inspection as soon as it is filed.

This legislation received an unfavorable report in the House Economic Matters Committee.

Senate Bill 461/House Bill 683, Workers' Compensation - Medical Cannabis - Compensation and Benefits

This bill would have authorized the Workers' Compensation Commission to require an employer or its insurer to provide medical cannabis to an injured employee receiving workers' compensation benefits as part of the injured employee's medical treatment. An injured employee may have been denied compensation benefits if cannabis was taken, but not under the written certification of a certifying provider or the written instructions of a physician.

This legislation received an unfavorable report in the Senate Finance Committee.

Senate Bill 486, Labor and Employment - Employment Standards During an Emergency (Maryland

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Essential Workers' Protection Act)

This legislation would have established benefits and protections for essential workers during an emergency, and related responsibilities for employers of essential workers. The bill also would have required employers to provide hazard pay and personal protection equipment (PPE) to essential workers at no cost. The Maryland Health Benefit Exchange would have been required to provide a special enrollment period during an emergency for an essential worker who is not insured under a group health benefit plan sponsored by the employer.

This legislation received an unfavorable report in the Senate Finance Committee.

Senate Bill 504, Discrimination in Employment – Use of Medical Cannabis – Prohibition

This bill would have prohibited an employer from discriminating in employment against an individual who has received a written certification for the use of medical cannabis under the Health-General Article or who has tested positive for cannabis components or metabolites if the individual holds a written certification for the use of medical cannabis under the Health-General Article, with exceptions as specified.

This legislation received an unfavorable report in the Senate Judicial Proceedings Committee.

Senate Bill 812, Workers' Compensation - Occupational Disease Presumptions - COVID-19

This emergency bill would have established an occupational disease presumption for employees with specified public safety and first responder occupations and certain health care workers that

are suffering from the effects of severe acute respiratory syndrome coronavirus 2. It would have applied to firefighters, advanced life support unit members, paramedics, rescue squad members, police officers, sheriffs, deputy sheriffs, correctional officers, and health care workers whose primary place of employment is a facility licensed by the Maryland Health Care Commission or an individual employed in a health care, home care, or long-term care setting where patients are diagnosed with or treated for COVID-19.

This legislation received an unfavorable report in the Senate Finance Committee.

Senate Bill 813/House Bill 1199, Workers' Compensation - Occupational Disease Presumptions - COVID-19

An emergency bill, Senate Bill 813 would have established an occupational disease presumption for employees with specified public safety and first responder occupations and certain health care workers that are suffering from the effects of severe acute respiratory syndrome coronavirus 2. The legislation would have applied to firefighters, advanced life support unit members, paramedics, rescue squad members, police officers, sheriffs, deputy sheriffs, correctional officers, and health care workers whose primary place of employment is a facility licensed by the Maryland Health Care Commission or an individual employed in a health care, home care, or long-term care setting where

patients are diagnosed with or treated for COVID-19.

The measure received an unfavorable report in the Senate Finance Committee.

Senate Bill 860, Workers' Compensation - COVID-19 Occupational Disease Presumption - Public School Employees

This emergency legislation would have established an occupational disease presumption for paid public school employees in the public elementary and secondary education systems of the State, including teachers, administrators, and support staff, who test positive for or are diagnosed with COVID-19 on or after March 1, 2020, within 14 days after a day on which the employee performed labor or services at the public school or another assigned workplace (that is not the employee's home) at the employer's direction; and the test was performed or the diagnosis was made by a health care practitioner who is licensed, certified, or otherwise authorized by State law to perform the test or make the diagnosis.

This bill received an unfavorable report in the Senate Finance Committee.



Beware Online COI Systems!

By **Bill Wilson, CPCU, ARM, AIM, AAM**

I first addressed this issue about 15 years ago when I began writing and speaking on certificate of insurance (COI) problems that had exploded in the marketplace. However, it now seems as if we are in the middle of a second wave of COI problems, including onerous requirements that agents use specific online COI systems that benefit mainly certificate requestors and, even more so, the owners of these systems.

Brokers of California, this system was modified to make it at least palatable to agents.

At that time, I was aware of at least a dozen other systems around the country. Since that time, most of them went out of business, merged with other systems, or revised their structure and pricing to be more marketable. This was largely out of necessity due to the combined pushback of insurance



One of the largest of these systems in 2006 was the City of Los Angeles's Track4LA, now known as KwikComply. The original system used a proprietary, non-ACORD COI registry with too many downsides to even list here. Through the efforts of the Independent Insurance Agents and

agents around the country against onerous systems and use requirements, the worst being that certificates had to be issued using a particular system AND, in many cases, the AGENT had to pay for the privilege of using a proprietary system. These systems had many problems, as outlined below.



A Texas airport authority contracted with one of these online COI vendors because COI verification was FREE to the airport authority. How could the system be offered for free? The airport authority simply required proof of insurance for every entity it contracted with and that such proof MUST be provided using this online system AND the agent providing the evidence of insurance had to PAY to use the system.

For example, one agency insured three concourse vendors in the airport. They had to input insurance coverage information into the system and pay \$3 for that privilege. The agency was also required to enter cancellation, nonrenewal, reinstatement, and coverage changes as they occurred.

In addition, any time the airport authority checked the status of coverage, the agency was billed 35 cents. That doesn't sound like much, but the insurance status for all vendors was checked DAILY. In other words, the agency had to pay about \$130 per customer

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to fund the system, not counting the cost to actually input data and duplicate the information in the agency's own agency management system. Needless to say, for most concourse vendors, the cost to use this system exceeded the agency's commission income for that customer and the agency had no control over the data once entered.

Another system enabled the certificate requestor to customize the non-ACORD certificate of insurance by allowing them to ask over 200 questions about the downstream party's insurance program. Many of these questions were ambiguous or even nonsensical. For example, one of the possible questions was "Broad form contractual (Y/N)?" without any explanation of what this question meant. Another question simply asked, "Independent contractors (Y/N)?" Other included "Primary and Noncontributory (Y/N)?" and "Auto pollution liability (Y/N)?" Clearly the authors had no idea what they were asking. The system required a scanned signature of the agent without any stipulations on how that signature might be used.

Still another system, while using an ACORD 25 format, allowed the downstream party to enter anything desired in the Description of Operations field. Only that insured's agent would have the authority, under statutory or regulatory law or under the agency/company agreement, to modify the contents of a COI. This system permitted the certificate holder to enter a list of additional insureds at any time, without regard to whether that entity was actually an insured. Again, only the authorized representative of the insurance company has the

authority to do this.

As mentioned above, recently I've been hit by inquiries from agents around the country about what appears to be an increasing use of these "digital tracking" systems. One inquiry came from Florida where a system was being mandated by several banks. Aside from issues similar to those discussed above, this system is allegedly owned by a company that owns several insurance companies. The inquiring agent was concerned about how his customers' policy data might be used for marketing or other purposes by these insurers. He was also concerned about his liability under numerous privacy laws in the event of a data breach.

Another Florida agent reported a similar problem with a property management company using a digital insurance verification service that did not use the ACORD format, had none of the ACORD COI disclaimers, and required personal information about the agent. Colorado agents are reportedly encountering similar issues with the increasing use of digital insurance verification demands.

Most recently, Michigan agents have expressed concerns about the use of a proprietary system by a large contractor. Every time a certificate is uploaded to the contractor's vendor, the agent is charged \$15. If separate COIs are used (e.g., one for liability and one for inland marine), there is a separate \$15 fee. The upstream party's construction contract requires that very specific additional insured wording be included on the COI and failure to do so WILL result in additional upload fees.

The contract requirements include the impossible, things like cancellation notice and coverage for "Liability insurance including

contractor's obligations under the indemnification provisions of this contract." NO CGL policy covers all of a contractor's obligations to indemnify. It is not clear how negotiations around this language, if possible, are to be conducted and whether fees apply.

Once again, we have an online digital certificate tracking/verification service whose business model is based on the AGENT of the downstream party funding the system.

What is your current experience with these systems? Do you see their use proliferating? Have you carefully read the submission contracts you are required to enter into and understand their legal implications?

About the Author: Bill Wilson, CPCU, ARM, AIM, AAM, Founder of InsuranceCommentary.com and one of the premier insurance educators in America on form, coverage, and technical issues; Founder and director of the Big "I" Virtual University; Retired Assoc. VP of Education and Research from Independent Insurance Agents & Brokers of America.

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Life Insurance Made Easy



How Much is Enough?

By Mark R. Gage, CLU

It's no surprise that Life insurance sales have been more robust during the pandemic. The realization of our own mortality looks at us more vividly. So let's not check off the box that we got life insurance without taking the time to first define what we are financially trying to accomplish with the coverage. Let's not round off and take a million or two but put some math behind the numbers, and if that results in an odd amount of coverage at least its representative of the true identified needs that we help unearth. Also, let's keep this simple so our clients will actually make a decision and not procrastinate to the point of indecision.

Many agents over complicate the life insurance conversation leaving the insured confused or just coming up with a number out of the blue. Reviewing the big ticket exposures will provide some meaningful guidance. It is risk analysis on people instead of tangible assets but these people provide for others.

When death occurs, there are always financial consequences. For this conversation, we will focus on personal coverage which really applies to all. Business owners may have more creative choices in covering some of their risk but all need to examine the financial hardships that their loss will incur.

Big Tickets

Debt - add it all up – mortgages on

homes, auto, credit, student loan

Income - Income stops at death - define how much and how long survivors will need it.

Contingent goals - children's education, charitable bequests, family gifts and final expense and taxes

It is quick and easy to add up debt – not the monthly payment but the total outstanding balance. Income, how much and does a survivor need per month and for how many years. Contingent goals also vary from family to family rather significantly.

Family ages and composition drive a lot of these decisions. A 35 year old earning 120k of income with a spouse and 2 elementary school children and mortgage has a lot more need than a 60 year old only a couple of years from retirement with a paid off home and kids through college!

The 35 year old will need to replace income for the survivors for a longer time and take care of more debt removal and educational funding. However, if most of the income is replaced then the need to address the other issues is less. Conversely if only 50% of the income is covered then more of the debt and educational expenses should be funded.

The 60 year old might only have a couple of years of income that would have impacted their retirement account and be past the educational expenses and maybe even be out of debt so the protection exposure is

vastly different.

Many insurance carriers offer financial needs analysis software. I find that using one that is simple for clients to work makes life easier for all. The link below is a simple one page screen and takes the insured less than two minutes to complete yet addresses income replacement, debt, education, final expenses, rate of return and crunches the numbers quickly. I like to go through the questions with clients, generate a quick PDF and then send them both the pdf and the needs link to make any adjustments on their end. I find equipping the insured with tools that we have at our disposal lets us all get on the same page quickly.

<https://presents.voya.com/Life/Calculators/LifeNeeds>

In summary, keep it simple. Focus on the big tickets of exposure and guide your clients. Let's get away from round numbers and determine better what we need to protect. I work with over 25 life insurance carriers so once you find an amount of protection let me help you find a good market.

For more information on how we can work with you to assist your clients

Contact: Mark Gage, CLU

*Vice President of Northeast Brokerage
mgage@nb-bga.com or call 410-552-9300.*

1

Agency Revolution Joins Agents Council for Technology

Agency Revolution is the newest company partner of the Agents Council for Technology (ACT). Agency Revolution provides independent insurance agencies with technology-driven marketing solutions.

"ACT is excited to welcome Agency Revolution as a supporting partner," says Ron Berg, ACT executive director. "Now more than ever, an agency's digital presence is their new storefront—whether that's on social media, their website or in email interactions with clients. We're looking forward to Agency

Revolution's insights on helping Big 'I' member agencies hone their marketing to convey trust and professionalism in all aspects of their agency."

Agency Revolution, an FMG Suite company, serves independent insurance agencies with an automated marketing platform that helps to streamline their processes, enhance client relationships, and grow their businesses. With professionally built websites backed by relevant insurance content alongside a collection of marketing and campaign tools, Agency Revolution empowers the modern insurance agency with the services and solutions to advance how they do business. The company has delivered training and technology to independent insurance agencies for more than

two decades.

"We're eager to partner with ACT as part of our ongoing commitment of serving Big I independent agencies, as well as the networks and carriers that comprise our ecosystem," says Solange Jacobs Randolph, VP of Marketing at Agency Revolution. "Top-tier digital strategies are essential for insurance agencies today, and Agency Revolution is dedicated to making it easy for agencies to modernize their marketing to meet customers where they are. Along with ACT's community of technology leaders, we look forward to delivering cutting-edge, insight-driven products to further the independent agency channel."

Learn more at Agency Revolution solutions.

2

InsurBanc Celebrates 20 Years by Supporting IIABA's Invest Program

InsurBanc, the national bank for independent insurance agents and brokers, today marks 20 years of service. To help celebrate, InsurBanc is donating \$5,000 to Invest, a nonprofit organization administered by Independent Insurance Agents & Brokers of

America (Big "I") that educates high school and community college students about insurance and risk, encouraging them to pursue careers with independent agents and brokers. This is a continuation of InsurBanc's long tradition of supporting Big I state and national association initiatives.

Invest's interactive curriculum teaches students to be smarter insurance consumers and offers them a chance to explore mentorship, apprenticeship and employment opportunities in agencies. Invest seeks to offset

a talent gap of approximately 400,000 insurance workers over the next five years.

"It's vitally important that we attract a new generation of professionals to our industry," says David Tralka, InsurBanc President and CEO. "Joining with Invest to inspire more young people to consider insurance as a stable, dynamic career is one way we can help ensure the agency system will prosper in the decades ahead."

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"The Big 'I' is so grateful to InsurBanc for the dedicated support of our members and the independent agency system over the last two decades," says Bob Rusbult, Big "I" President and CEO. "No one understands the needs of our community better than InsurBanc. This generous gift to our educational program, Invest, is just another example of the partnership and cooperation we have enjoyed with InsurBanc, and a great way to help us perpetuate our channel."

Organized by the Big "I" and launched in April 2001, InsurBanc

has provided over \$1 billion in lending capital to independent agents across the country.

"Before InsurBanc, independent insurance agencies had few options for financing growth and perpetuation," says Tralka.

"We developed the banking solutions agencies need to acquire new business, modernize their operations, manage cash flow and execute their succession plans. Our mission is to help agencies compete and succeed, to be the agent's 'community bank.'"

"We appreciate the tremendous support we've had from the Big 'I' and the independent agent community," says Tralka. "We know

our success comes from investing in the unique enterprise value of independent agencies. We see a bright future for agents, and we look forward to serving as their trusted financial partner for years to come."

About InsurBanc

InsurBanc, a division of Connecticut Community Bank, N.A., is a community-focused commercial bank specializing in products and services for independent insurance agencies. Organized in 2001 by the Independent Insurance Agents & Brokers of America, InsurBanc partners with agents to help them optimize growth opportunities and manage their agencies efficiently.

3

Agents Council for Technology Announces Online Agency CX Self Assessment

ACT customer experience website now features new free resource.

ALEXANDRIA, VA—The Big "I" Agents Council for Technology has updated its Customer Experience (CX) Journey webpage to debut a free online independent agency CX self-assessment.

Agencies can now use the self-assessment tool to gain insights

on ways to improve digital interactions with customers. The self-assessment asks a series of questions regarding technology touchpoints across consumers' insurance journey and provides a summary of improvement areas, as well as links to the ACT CX Journey website for best-in-class resources to implement the action steps.

"Now that an agency's digital presence is its new storefront, it's even more crucial that independent agencies ensure their customers can find them easily," says Ginny Winkworth, ACT program manager. "This online self-assessment helps Big 'I' member agencies pinpoint how to help their clients access what they

need when they need it. This really strengthens their ability to be a trusted advocate for insurance consumers by meeting them where they are."

The self-assessment tool is housed on the CX Journey page, along with detailed CX guides, resources, and options for independent agencies. This is just one of many tools and solutions ACT provides in its mission to provide a candid, action-oriented forum to propel technology solutions for independent agencies.

Founded in 1896, the Independent Insurance Agents & Brokers of America (the Big "I") is the nation's

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oldest and largest national association of independent insurance agents and brokers, representing more than 25,000 agency locations united under the Trusted Choice® brand. Trusted Choice independent agents offer consumers all types of insurance—property, casualty, life, health, employee benefit plans and retirement products—from a variety of insurance companies.

The Agents Council for Technology (ACT) was established in January 1999 by the Independent Insurance Agents & Brokers of America (the Big "I") to provide a candid, action-oriented forum to address the critical workflow and technology issues facing the independent agency system. ACT helps participants understand the perspectives of the other stakeholders in the process and provides excellent networking opportunities with the participants who are shaping the future for the

industry on these issues.

ACT members include:

Industry associations and consultants: ACORD, CSIO, IIABA, Insurance Brokers Association of Canada, Angela Adams Consulting Services, Steve Anderson Consulting, WSIA

Technology providers:

AgencyKPI, Agency Revolution, Agentero, Applied Systems/IVANS, AssureSign, CoverWallet for Agents, CyberClearSafe, DAIS, Duck Creek Technologies, EZLynx, GloveBox, HawkSoft, Indio Technologies, ITC, Insurance Agent Mobile Application, Levitate, LexisNexis Risk Solutions, Neilson Marketing Services, North American Software Associates, Rigid Bits, SimplePin, Simply Easier Payments/EchoSage, Strategic Insurance Software, Vertafore, Veruna, Xanatek, XDimensional Technologies

User groups: AgentLynx by EZLynx, Applied Client Network,

the HawkSoft Users Group, NetVU, the Nexsure User Group, Partner XE User Community

Carriers: Allstate IA, The Berkley Companies, Chubb Group of Insurance Companies, The Cincinnati Insurance Companies, CNA, Columbia Insurance Group, Dryden Mutual Insurance Company, EMC Insurance Companies, Encompass, Encova Insurance, Grange Insurance, The Hanover Insurance Group, The Hartford, Hartford Steam Boiler, Liberty Mutual Insurance, The Main Street America Group, Merchants Insurance Group, MetLife Auto & Home, Nationwide Insurance, New York Central Mutual Insurance, Ohio Mutual Insurance Group, Penn National Insurance, Progressive, Safeco Insurance, Selective Insurance Company of America, Travelers, Utica National Insurance Group, Western National Insurance and Westfield Insurance

4

Chesapeake Employers Insurance Obtains Naming Rights to UMBC Arena

TOWSON, MD — Chesapeake Employers' Insurance Company and the University of Maryland, Baltimore County (UMBC) announced that they have entered

into a 15-year, strategic partnership that includes naming rights to the UMBC events center, which will be renamed Chesapeake Employers Insurance Arena.

In addition to naming rights, this partnership establishes a platform for UMBC and Chesapeake Employers Insurance to engage in additional collaborations, including opportunities for student internships, recruitment, innovation explorations, and

applied research projects.

"We at Chesapeake Employers Insurance are honored to partner with UMBC, a premier University System of Maryland institution," explains Tom Phelan, CEO of Chesapeake Employers Insurance. "This partnership bridges our company with UMBC students, staff, and alumni to form a

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symbiotic relationship with shared values and a commitment to excellence relevant to education and business."

Under the agreement, Chesapeake Employers Insurance receives corporate branding exposure to tens of thousands of event attendees through a multitude of highly visible outlets, including signage inside and outside the facility; Maryland highway signage; TV, radio, and social media; and community events. UMBC benefits from a long-term revenue stream that they can use to carry out initiatives to support their vision, mission, and objectives.

UMBC President Dr. Freeman Hrabowski said, "The partnership between UMBC and Chesapeake Employers Insurance represents not only an investment in our campus, but also in the region. This is an opportunity to elevate our facility, our university, and our

local economy."

Opening in 2018, the arena hosts concerts, conventions, trade shows, and other events, including all UMBC commencement ceremonies and designated sporting events. The Oak View Group will continue to manage the facility.

Both the men's and women's basketball teams and the Retriever volleyball teams compete in the state-of-the-art facility. Additionally, all 400-plus UMBC student-athletes regularly utilize the building's academic, strength and conditioning, sports medicine, and other athletics' department services.

About Chesapeake Employers

Chesapeake Employers' Insurance Company is Maryland's largest writer of workers' compensation insurance. It is a nonprofit, non-stock, private corporation. Chesapeake Employers has served as a continuous, guaranteed

source for fairly priced workers' compensation insurance since 1914.

About UMBC

UMBC is a leading public research university known for innovative teaching, relevant research across disciplines, and a supportive community that empowers and inspires inquisitive minds. UMBC combines the learning opportunities of a liberal arts college with the creative intensity of a top research university. The University serves 14,000 undergraduate and graduate students and is one of the country's most inclusive education communities. U.S. News & World Report has named UMBC a national leader in innovation and undergraduate teaching, and Times Higher Education has honored UMBC for social and economic impact.

5

Chesapeake Employers Declares \$15 Million Corporate Dividend

TOWSON, MD — The Board of Directors of the Chesapeake Employers' Insurance Company is pleased to declare \$15 million in corporate dividends for calendar year 2022 to qualifying

policyholders based on their safety performance. This is in addition to the \$10 million corporate dividend the company declared for each calendar year 2018, 2019, 2020 and 2021. In total, Chesapeake Employers will have issued \$55 million in corporate dividends through 2022. The dividends are possible due to Chesapeake Employers' financial performance.

The latest dividend will be awarded

to qualifying policyholders for their 2021 performance with payment beginning May 1, 2022.

"Safety in action makes a difference for employers, workers, and the bottom line," explains Tom Phelan, CEO of Chesapeake Employers Insurance. "Keeping workers safe on the job day in and day out takes commitment. That commitment

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should be rewarded.”

Dividends are based on performance and are not guaranteed. The corporate dividend

was approved by the Maryland Insurance Administration.

About Chesapeake Employers

Chesapeake Employers' Insurance Company is Maryland's largest writer of workers' compensation

insurance. It is a nonprofit, non-stock, private corporation. Chesapeake Employers has served as a continuous, guaranteed source for fairly priced workers' compensation insurance since 1914.

6

Erie Insurance Named to the Forbes America's Best Employers 2021 List

ERIE, PA— Erie Insurance has been named to the Forbes list of America's Best Employers 2021. This prestigious award is presented by Forbes and Statista Inc., the world-leading statistics portal and industry ranking provider.

“At Erie Insurance our employees

are more than colleagues, they're family,” said Dionne Wallace Oakley, executive vice president of human resources and strategy for Erie Insurance. “ERIE continues to embrace the ERIE family spirit as a testament to the culture established by our founders more than 95 years ago.”

Forbes and Statista selected the America's Best Employers 2021 through an independent survey applied to a vast sample of more than 50,000 American employees working for companies with more than 1,000 employees in America.

Across 25 industry sectors, Erie Insurance was one of 500 large companies to be awarded. The evaluation was based on direct and indirect recommendations from employees that were asked to rate their willingness to recommend their own employers to friends and family.

“ERIE is honored to be recognized on the America's Best Employers 2021 list published by Forbes and Statista,” added Wallace Oakley.

For more information about Erie Insurance, visit www.erieinsurance.com

7

Ecker's Agency, Inc. Earns Inner Circle Honor for the Fifth Time

HUNTINGDON, PA— Ecker's Agency, Inc., Westminster, Maryland, is one of just six independent insurance agencies that has made Mutual Benefit Group's Inner Circle, based on 2020

business results.

This makes the fifth time Ecker's Agency, Inc., has qualified for the honor.

Mutual Benefit Group is a multiline property/casualty insurance company based in Huntingdon. It is represented by 300 independent agents in Pennsylvania and Maryland. Each year, the company presents its Inner Circle award to those agents who provide superior

customer satisfaction while establishing a consistent record of profitable growth.

Ecker's Agency has served the Central Maryland community as well as York and Adams counties in Pennsylvania during its 85 years in business. President Bradley R. Ecker, a third-generation owner of the agency, currently offers

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personal and commercial property/casualty insurance. Over the years, he has developed expertise in providing coverage for antique, classic and modified autos.

Learn more about Ecker's Agency, Inc. at <https://eckers-agency-inc.business.site/>

Mutual Benefit Group is a regional property/casualty insurance carrier

headquartered in Huntingdon, Pennsylvania. It has been providing coverage for autos, homes and businesses since 1908. The company's insurance products are underwritten through its member companies, Mutual Benefit Insurance Company and Select Risk Insurance Company. Rated A- (Excellent) by A.M. Best, Mutual Benefit serves 70,000 policyholders in Pennsylvania and Maryland through 300

independent insurance agents. The Company has been named one of the Top 100 Businesses in Pennsylvania for the past 11 years by Pennsylvania Business Central and has made the list of Best Places to Work in Pennsylvania eight times since 2009. Learn more at mutualbenefitgroup.com.



Trusted Choice® Launches New Website

Redesigned website offers Big "I" members streamlined marketing processes and new resources.

ALEXANDRIA, VA—The Big "I" and Trusted Choice® are excited to announce the launch of Trusted Choice's redesigned website with an improved user experience and easier access for Big "I" members to free marketing resources and programs.

Trusted Choice helps Big "I" members leverage marketing resources to excel in local marketing. The new website features a streamlined ordering process for free custom marketing materials, including two new campaigns, "You Do You" and "The Big Picture," which is also the first campaign available in Spanish. The site also features the ability to share content directly to Facebook and Twitter, an improved monthly

social media content calendar and a resource library of documents, videos and webinars.

"We're proud to offer a cutting-edge website experience to help Big 'I' members connect with insurance consumers," says Kasey Connors, vice president of marketing operations at Trusted Choice. "Curating a strong and trustworthy presence in their digital communities is crucial for independent agencies, and this new site makes it easier than ever for members to access the plethora of resources available to them through Trusted Choice."

Trusted Choice's brand recognition continues to be strong, with consumers 44% more likely to recommend Trusted Choice independent agencies than agencies without Trusted Choice branding, according to Comscore. More than 9 in 10 agents felt the use of the Trusted Choice logo in their marketing was beneficial to the growth of their business,

according to a 2020 study.

"The marketing and co-branding resources available on our new site allow Big 'I' members to augment their digital presence while still maintaining the strength of their local brand and independence," said Kevin Brandt, executive director of Trusted Choice, "and most of the assets we offer on the site are free to use."

Founded in 1896, the Independent Insurance Agents & Brokers of America (the Big "I") is the nation's oldest and largest national association of independent insurance agents and brokers, representing more than 25,000 agency locations united under the Trusted Choice® brand. Trusted Choice independent agents offer consumers all types of insurance—property, casualty, life, health, employee benefit plans and retirement products—from a variety of insurance companies.

○ UPCOMING CE EVENT

BIG I MARYLAND

CE DAYS 2021

**EARN UP TO EIGHT CE CREDITS
IN JUST ONE DAY!**

Boost your insurance knowledge and earn up to eight P&C continuing education credits in just one day. These special CE Days are being offered by Big 'I' Maryland in partnership with the Big 'I' Virtual University (VU).



TWO DATES! JUNE 17TH & DECEMBER 16TH

**VISIT WWW.BIGIMD.COM TO REGISTER!
USE CODE BIGIMDCEDAY TO SAVE ON YOUR PURCHASE**

COVERAGE FOR YOUR AGENCY

CYBER LIABILITY COVERAGE

Cyber crimes are the fastest growing crimes in the world. Cyber attacks are up 17 times since 2009 and this is primarily because only 1 in 20,000 cyber thieves get caught. Independent insurance agents collect and store numerous types of private information on their clients. This information can range from driver license numbers to corporate trade secrets. As the agents collect this information they are required by law to protect it from the public and to keep it secure. It does not matter if they keep this information on their computer system or another 3rd party system, if they collected it - they are responsible for the breach notification.

Wingman Cyber Insurance:

Big I Maryland has partnered with Wingman Insurance to offer you cyber liability coverage through a fully ADMITTED product brought to you by AXIS (rated A+ Excellent by A.M. Best).

Wingman Cyber Insurance protects you from first and third-party threats including:

- Unauthorized Content
- Virus or Malicious Code
- Theft or Destruction of Data
- Cyber Extortion
- Business Interruption
- And More



With Wingman, cyber attacks don't have to cost you or your business. There are up to \$10M limits available and payment installments are available as well. Get a quote delivered to your inbox within an hour!

Did you know? Wingman cyber liability coverage is also available to you to sell to your commercial insureds!

Beazley Breach Response:

Big I Maryland has partnered with Beazley syndicated at Lloyds to offer you cyber liability coverage on a NON-ADMITTED basis. The Beazley Breach Response® policy was created and tailored to the needs of independent agents. Coverage is provided on a Non-Admitted basis with premiums as low as \$250*.

Beazley Breach Response® protects you from threats including:

- Information Security & Privacy Liability
- Regulatory Defense & Penalties
- PCL Fines & Penalties
- Website Media Liability
- Cyber Extortion
- Legal & Forensics
- Public Relations
- Fraud Resolution



As a Beazley Breach Response policyholder, you will have access to their Data Security Risk Management website, which provides risk management policies, procedures, training and other tools to help prevent a breach of confidential data.

For more details regarding our cyber liability coverage visit BIGIMD.com/cyber today!



COVERAGE FOR YOUR CLIENTS

RLI Personal Umbrella & Home Business Insurance Policies

RLI Personal Umbrella Policy (PUP):

RLI's PUP stands atop the existing homeowner and auto insurance to provide an extra layer of personal liability protection for the insured and their family. With RLI's PUP program, the insured can maintain their auto or home coverage with any company they choose, provided they agree to maintain the mandatory minimum underlying coverage limits.

RLI Umbrella Policy Features:

- Limits up to \$5 million available (\$1M in NM)
- Excess UM/UIM available in all states.
- The insured can keep their current homeowner/auto insurer
- New drivers accepted - no age limit on drivers
- Up to one DWI/DUI per household allowed
- Auto limits as low as 100/300/50 in certain cases
- Competitive, low premiums for increased limits of liability
- Simple, self-underwriting application that lets you know immediately if the insured is accepted
- E-signature and credit card payment options
- Immediate coverage available in all 50 states plus D.C.



RLI Home Business Insurance Policy:

RLI's Home Business Policy provides affordable coverage for those people who operate small home-based businesses. Insureds often believe their existing homeowners or apartment-dwellers policy will cover any loss or damage to their business equipment, furniture and supplies in the event of fire, theft or other catastrophe, when in fact, those policies usually explicitly exclude coverage for any business exposures on their premises. The RLI Home Business Policy, however, is not intended for all types of home business. It is specifically targeted for over 100 retail and services risks operated from the insured's residence and presenting minimal product liability, professional liability and/or off-premises exposures.

RLI Home Business Policy Features:

- Provides coverage for over 145 classes of small retail & service-type home-based businesses
- Affordable rates
- General liability coverage up to \$1 million
- Loss of business income protection up to 12 months available
- Broad coverage with off premises theft included
- RLI is admitted and A.M. Best "A+" rated
- Up to \$100,000 (varies by state of risk) comprehensive coverage for business personal property both on- and temporarily off-premises
- Up to \$5,000 per person for medical payments to customers injured on the insured's premises
- Optional coverage available for Additional Insureds, Money & Securities, Electronic Data Processing Equipment (varies by state of risk)

**For full program details or to get started with RLI
visit BIGIMD.com/RLI today!**



ABEN LIVE WEBINARS

- ABEN live webinars are approved for continuing education credits in some states with no exam required.
- Classes are offered multiple times throughout the year.
- **QUESTIONS?** Email your ABEN webinar support staff at help@aben.tv

ABEN: Errors & Omissions

☆ 10% Premium Discount Qualified ☆

- E&O Roadmap to Homeowners Endorsements and Personal Inland Marine - Part 1
- E&O Roadmap to Homeowners Endorsements and Personal Inland Marine - Part 2
- E&O Roadmap to Cyber and Privacy Insurance - Part 1
- E&O Roadmap to Cyber and Privacy Insurance - Part 2
- E&O Roadmap to Policy Analysis - Part 1
- E&O Roadmap to Policy Analysis - Part 2
- E&O Risk Management - Meeting the Challenge of Change (6hrs)
- E&O Risk Management - Meeting the Challenge of Change - Part 1 (3hrs)
- E&O Risk Management - Meeting the Challenge of Change - Part 2 (3hrs)
- E&O Roadmap to Identity Theft, Red Flags, and Money Laundering - Part 1
- E&O Roadmap to Identity Theft, Red Flags, and Money Laundering - Part 2

ABEN: Ethics

- Ethical Issues - Personal & Organizational
- Guiding Tenets of Ethical Leadership
- Insurance Ethics, Easy to Discuss, Harder to Achieve

ABEN: Best Sellers

- A Little of This, a Little of That: New Threats and Possibilities in Commercial and Personal Lines Insurance
- Additional Insureds: Issues and Endorsements
- BAP Symbols and Endorsements
- Business Auto Claims That Cause Problems
- Certificates of Insurance - Emerging Issues and Other Stuff that May Scare You!

GETTING STARTED WITH ABEN

1 Create an ABEN account by visiting www.iiamd.aben.tv/Account/Register

2 Find your desired course by visiting www.iiamd.aben.tv and register!



VISIT WWW.IIAMD.ABEN.TV
TO VIEW THE **FULL CATALOG!**



Agents & Brokers Education Network

THANK YOU, BIG I MD ASSOCIATE PARTNERS

GOLD



SILVER

Agency Network Exchange, LLC
Builders Mutual Insurance Company
Chesapeake Employers' Insurance
Erie Insurance
Progressive

Partner list as of deadline on May 1, 2021.

*For complete 2021 list, visit our webpage
bigimd.com/APP.*

BRONZE

Accident Fund Insurance Co.
Agency Insurance Co. of Maryland
BBSI
Berkshire Hathaway GUARD Ins. Co.
Brethren Mutual Insurance Co.
Central Insurance Companies
Cumberland Insurance Group
FCCI Insurance Group
Imperial PFS
Keystone Insurers Group, Inc.
Kite Technology Group
Lexington National Insurance Corp.
Mutual Benefit Group
Northeast Brokerage, Inc.
Penn National
Philadelphia Insurance Companies
Rockwood Casualty Insurance Co.
Watney Insights Network, Inc.
Wilmington Insurance Agency
Wignman Cyber Insurance



INCREASING
CORPORATE
DIVIDENDS TO

\$15
MILLION
IN 2022...



...AND
REDUCING
2021 RATES
AGAIN BY

5%



Chesapeake Employers helps your clients protect their employees and their bottom line. For 2022, we are pleased to declare a \$15 million corporate dividend for qualifying policyholders. This is in addition to the \$10 million corporate dividend declared for 2021. We're also reducing our rates again by 5%—which means Maryland businesses of all sizes can benefit from the services of a workers' comp specialist, for less.

More good reasons to work with the state's largest writer of workers' compensation insurance.

Contact your Chesapeake Employers' underwriter for a coverage quote today.



CEIWC.com

2021 ANNUAL CONFERENCE

NAVIGATING THE NEW **NORMAL**

About the Conference

Join us on August 20th, 2021 for the Big I Maryland Annual Conference where we will help you Navigate the New Normal.

What to Expect

- ✓ Informative Sessions
- ✓ Networking
- ✓ Sponsor Opportunities
- ✓ Exhibitor Opportunities

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BWI MARRIOTT

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SESSIONS

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SPEAKERS

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