




2026 Spring Conference

April 14, 2026

Dr. Louis DeWeaver – Cyber Security Consultant
 Jake Pease CIC, CEAL, CEHCH – Vice President

A business of Marsh McLennan Your future is limitless.™

1

Agenda


- Speaker Introductions
- Insurance Market Update
- Cyber Liability – Network Security

Marsh & McLennan Agency LLC

2

Jake Pease

CIC, CEAL, CEHCH



• Jake Pease is a Vice President at Marsh McLennan Agency (MMA) focused specially on the senior living industry. With 16 years of experience, he provides clients with a world class experience that allows them to focus on providing care to their staff and residents. He takes pride in educating himself on market changes, developing relationships built on trust, and identifying risk and areas for client growth and profit.

Jake is a graduate of Baldwin Wallace University. He holds his Certified Insurance Counselor (CIC), Certified Executive for Assisted Living (CEAL), and Certified Executive Homecare and Hospice (CEHCH) designations.

Jake is active with the Ohio Healthcare Association (OHCA), Ohio Assisted Living Association (OALA) and LeadingAge Ohio, while also working with the respective national associations.

Jake is a frequent speaker on the insurance market specific to senior living and instructs the CORE LNHA licensing prep class.

Marsh & McLennan Agency LLC

3

Senior living team overview

100+ Combined years insuring senior living organizations	400K+ beds/units insured across the U.S.	125+ dedicated senior living insurance professionals	80+ senior living insurance carriers
1,500+ Clients nationwide	\$750M+ In premiums placed annually	Senior Living captive insurance company and TPA	

Black & Veatch Agency LLC

4

How we minimize risk and maximize health

Our holistic approach to risk services:

	+		+		+		+		+		=	
Innovative program design		Compliance		Wellness		Safety		Claims		Risk transfer		Positive measurable results

Our risk management goal:

- 1** Create value for clients 3x revenue received
- 2** Use analytics to change our clients' loss portfolio
- 3** Provide specialized senior living risk management team

Black & Veatch Agency LLC

5

Insurance Market

6

Market conditions

HARD vs. SOFT Market
 What drives the volatility?

- Carrier profit
- Losses (Frequency – Severity)
- Classes of business (High or Low Risk)
- Underwriting posture
- Legislation / Jurisdiction
- Restoration costs (inflation)
- Social Inflation (verdict \$ awards)
- Third Party Litigation Funding
- General inflation (labor material)

Commercial Property/Casualty Market Index Q4/2025

EXECUTIVE SUMMARY

The following are key takeaways from The Council of Insurance Agents & Brokers' Commercial Property/Casualty Market Report for Q4 2025 (October 1–December 31):

- The market appeared to move further into the soft part of the insurance market cycle in Q4 2025. Premiums across all account sizes rose by an average of 0.2%, down from 1.6% in Q3 2025. Large account premiums fell by an average of 2.1% and medium account premiums showed a percentage change of 0%, on the other hand, small account premiums rose by an average of 2.8%.
- Signs of softened market conditions were equally evident across lines of business. Nine lines saw premiums decrease this quarter, which is more than half of the lines tracked by this survey and up from six the previous quarter. All other lines recorded premium increases that were flat or lower than in Q3.
- Overall, the average increase in premiums across all the major lines of business (commercial auto, commercial property, general liability, umbrella, and workers compensation) was 1.9% in Q4 2025, down from 2.7% in Q3. Two of those lines, workers compensation and commercial property, showed decreases.
- Commercial auto marked its 58th consecutive quarter of increases in Q4 2025 with an average premium increase of 6.6%, the highest out of all lines. High claim frequency and severity due to social inflation and nuclear verdicts. According to AM Best, the average cost per commercial auto claim more than doubled over the past decade, equating to an average annual increase of 8%, far above economic inflation. These severe claims also affected umbrella, which was the only other line besides commercial auto to show an average premium increase above 2%.
- D&O premiums fell the most out of all lines, at an average of 3.8%. Abundant capacity and a very favorable loss ratio in 2024 (named "one of the best results in a decade" by AM Best) likely contributed to this relief.

Marsh & McLennan Agency LLC

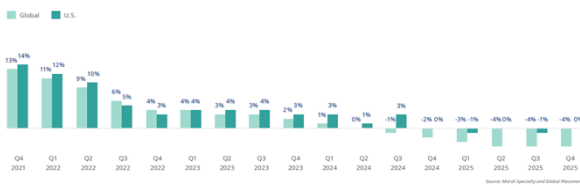
7

7

Q4 2025 U.S. business insurance market observations

The global composite rate tracked in the Marsh Global Insurance Market Index decreased by 4% in Q4 2025, continuing the trend from Q3, and marking the sixth consecutive quarter of steady declines

U.S. composite insurance pricing change



Marsh & McLennan Agency LLC

8

8

Global property rates **fell 9%** year over year and 8% in the U.S.

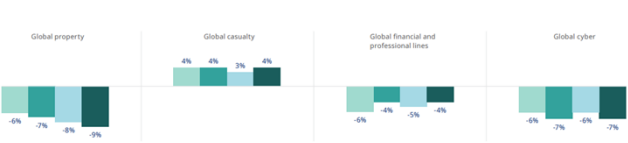
Global casualty rates **rose 4%**, showing a slightly higher acceleration than in the previous quarter. In the U.S., casualty insurance rates increased 9% (up from 8% in Q3), primarily driven by excess/umbrella and commercial

auto lines. Excluding workers' compensation, the U.S. increase was 12%.

Rates for financial and professional lines **decreased 4%** globally but remained flat in the U.S.

Cyber insurance rates **dropped 7%** worldwide and 3% in the U.S.

Global composite insurance pricing change by major coverage line



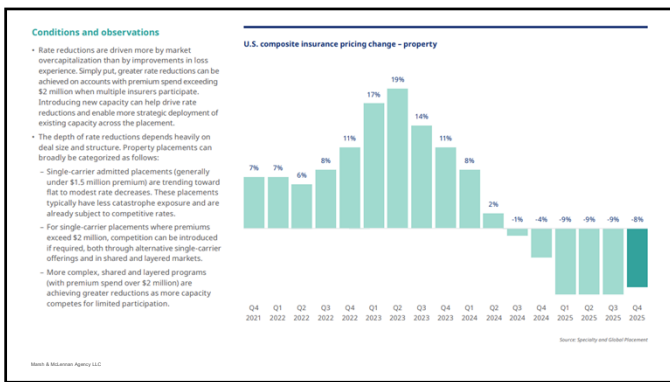
Marsh & McLennan Agency LLC

9

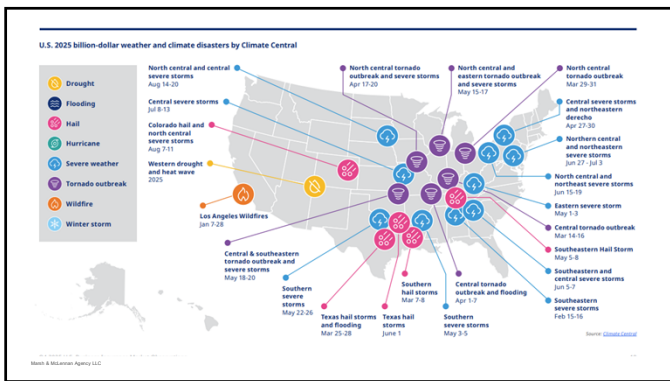
9



10



11



12



13

Casualty coverages

Headwinds remain in the casualty marketplace as reinsurers become more selective and insurers re-evaluate their adverse development reserve positions.

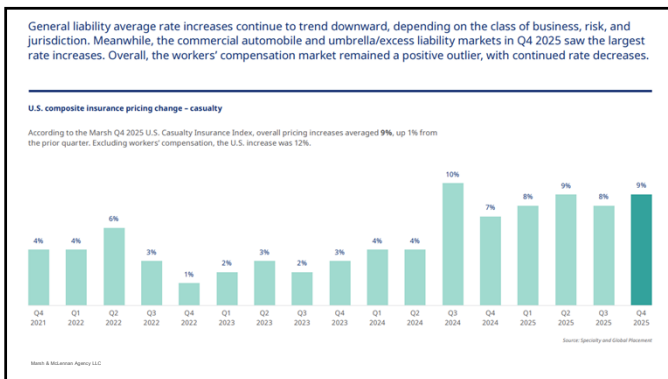
There's a good chance that **rate increases** are here to stay for the foreseeable future.

Primary coverage layer increases have been lagging behind the excess and umbrella layers in an unsustainable way.

There is some optimism around **new capacity** entering the market, and innovative solutions are likely to result from these novel market participants.

Marsh & McLennan Agency LLC 14

14



15

Overview

Casualty insurance continues to be shaped by rising claim severity, social inflation, and a challenging legal environment. Long-tail losses, larger verdicts, and litigation funding continue to pressure insurers' results, leading to selective underwriting, tighter program structures, and differentiated outcomes by risk quality, class, and jurisdiction.





Well-managed accounts with strong safety, documentation, and loss performance can still access capacity and more moderate pricing, while higher-hazard industries and loss-prone risks face tougher pricing and terms. Looking ahead to 2026, commercial auto and umbrella/excess remain among the most challenging lines due to severity and legal trends; general liability shows broader stabilization with pockets of pressure; and workers' compensation continues to stand out for profitability and capacity, albeit with emerging cost drivers that merit vigilance, according to [AM Best's Market Segment Outlook](#).

Marsh & McLennan Agency LLC

16

Casualty coverages

Rate trends

 <p>Automobile/fleet Average rate increases were between 5% to 15%, with higher double-digit increases for businesses with heavy trucks and/or adverse claims experience.</p>	 <p>General liability Rate increases are averaging from flat to single-digit percentages, and higher for risks with losses and/or product liability exposures. Flat renewal pricing can be achieved in some instances.</p>	 <p>Umbrella/excess The Marsh Global Insurance Market Index shows risk-adjusted rates increasing by 15%, compared to 21% in the prior quarter. Where there was no program structure change, rates increased by 9% and 20%, respectively.</p>	 <p>Workers' compensation Rates generally remained flat or in negative territory, with decreases of around -3%.</p>
---	--	--	---

Marsh & McLennan Agency LLC

17

Liability cost drivers

Social Inflation, Third Party Litigation Funding, Nuclear Verdicts

> Social Inflation – driven by societal and legal factors that lead juries to award higher amounts especially in healthcare cases on negligence, abuse, neglect, or wrongful death



Marsh & McLennan Agency LLC

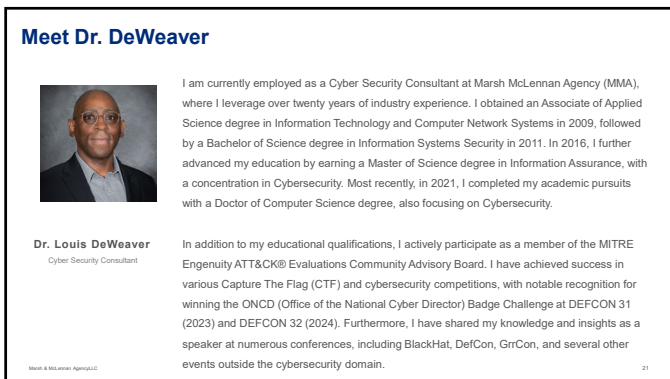
18



19



20



21

Why Assisted Living Is a Prime Target

High-Value PHI/PII Data Extensive personal, medical, and financial data stored by facilities make them highly lucrative targets for ransomware groups and data brokers.	24/7 Operational Urgency Continuous care operations mean any system downtime directly impacts resident safety, increasing the pressure on management to pay ransoms quickly.
Legacy Infrastructure Flat networks and mixed IT/OT environments (EHR, eMAR, nurse call systems, HVAC) often lack modern cybersecurity controls or segmentation.	Proliferation of IoT Devices A massive influx of shared tablets, mobile communication tools, and connected medical devices dramatically expands the accessible attack surface.
Multi-Site Variability High staff turnover, inconsistent IT processes, and varied technology setups across multiple locations create widespread, systemic vulnerabilities.	Regulatory Exposure Complex compliance requirements involving HIPAA and various state privacy laws mean data breaches often lead to severe fines and extended litigation.

22

Recent Attacks in Senior Living

Senior living communities are actively targeted by sophisticated ransomware gangs, leading to devastating operational and financial consequences.

Data Exfiltration Legend Senior Living Ransomware attack involving the massive exfiltration of highly sensitive SSNs, financial information, and resident medical records.	~70,000 Records HCF Management Threat actors breached systems across multiple facilities, claiming to have stolen approximately 250GB of core organizational data.	106,200 Affected Hillcrest Convalescent A devastating data breach resulting in widespread exposure of patient and staff information, requiring extensive long-term remediation efforts.	Industry Ripple Change Healthcare A massive centralized outage that disrupted billing and pharmacy systems sector-wide – proving that third-party vendor risk is directly your risk.
--	--	---	--

Note: Figures reflect public reports as of 2025–2026. The increasing frequency of these attacks highlights the urgent need for structural security shifts.

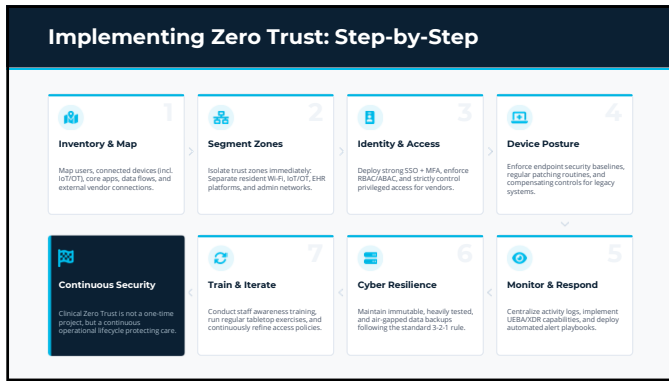
23

Zero Trust for Senior Care: Never Trust, Always Verify

Core Principle
Never Trust, Always Verify

Assume Breach Every request is verified regardless of its origin or network location.	Microsegmentation Contain threat movement laterally between systems and trust zones.
Strong Identity Enforce MFA/SSO; meticulously verify users, devices, and access context.	Continuous Monitoring Inspect, log, and analyze all network and user activity in real-time.
Least Privilege Limit access strictly to the minimum needed per role and specific task.	Clinical Zero Trust Protect critical care workflows, patient safety, and operational continuity.

24



25



26



27
