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# Sorry America Football is Cancelled.

JOHN CHINO | JULY 11, 2019

# The Hard Market



**A few of us are getting together for a drink after work to celebrate the end of the world...**

# Hard Market

- Hard Market  
limits, incre  
premiums a



decreased  
high  
erage at all

# But we have no problem in CA public schools...

## **Schools Excess Liability Fund (SELF)**

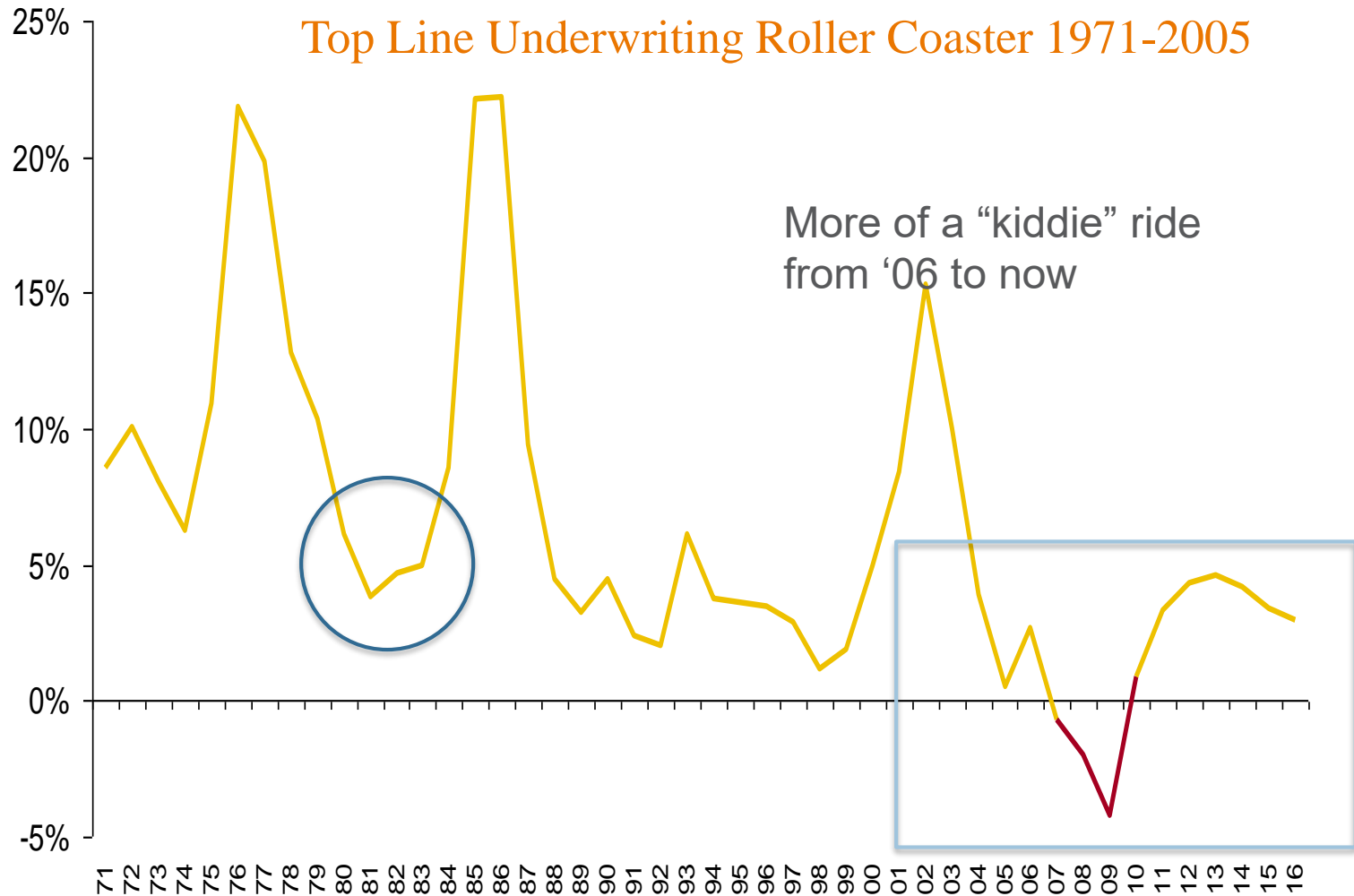
Not-for-Profit governed by membership

Founded in 1986

Three Million Students including at least 50,000 high school football players and another 3,000 college players.

SELF provides \$50,000,000 in limits with NO restriction or exclusion for Concussion, CTE or TBI.

# Crazy Volatility for 30+ Years...



- **Joint Powers Authority (JPA) Law**

JPA's in CA since 1949

Added the power to “insure” in the 70's (1975)

Not regulated under the insurance code (1976)

» *JPA's provide administrative services;*

» *JPA's can procure insurance, excess insurance & reinsurance;*

» *JPA's use a Memorandum of Coverage (MOC) to document coverage provided to members*

# JPA's Are Unlike Individual Self Insured Accounts in Several Important Ways

They have access to more carriers

JPA's are not only larger than most self insured entities; they are typically more sophisticated.

JPA's will have a large staff of experts with skills including claims management, litigation management and risk control; which not only reduces risk but makes them extremely attractive to the market.

JPA's have access to the world wide insurance market including:

- Insurance Companies
- Excess Insurance Companies
- Reinsurance (Treaty/Facultative)

SELF was able to approach some 60 insurance carriers for their recent renewal

# Clouds on the horizon...

- Concussions

- » *TBI – Sudden Event*
- » *CTE – Long Term Effect*
- » *Small % of defense on Summary Judgment*

- » *Issues*

- ♦ Equipment
- ♦ Practice Time
- ♦ Concussion Protocols

Same Companies have inserted restrictive and/or exclusionary language in reinsurance of SELF

And Underwriters are asking more questions about Football and other high impact sports...



# Liability Insurance is Expensive



Note: The Risk Matrix is produced by the Risk and Insurance® editorial team. Liberty Mutual Insurance is the presenting sponsor and has no responsibility for the content.

# The Reptilian Legal Strategy

Western States have seen exponential (double digit) increases in liability loss trends for several years and this is believed to be the “new normal”.

