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Heffernan's Quarterly

# News & Views



Because You're Different

## COMMERCIAL LINES

**Ransomware has changed cyber insurance.** [Insurance Journal](#) says ransomware attacks accounted for nearly one in four cyber incidents in 2020, and education is needed to deal with the threat.

[Insurance Thought Leadership](#) discusses how some risks, including certain cyber risks, may be uninsurable.



**Four hotels win COVID-related litigation.** According to [Risk & Insurance](#), most lawsuits over business interruption coverage for COVID have failed, but four hotels scored a victory recently.

**The hard D&O market is like nothing seen in decades.** [Insurance Business](#) says that multiple factors are impacting rates, including M&A activity, while [Property Casualty 360](#) looks at D&O coverage issues for SPACs.

## PERSONAL LINES



**Flood insurance changes could lead to higher costs.** [Money](#) reports that millions of homeowners with policies under the National Flood Insurance Program could pay more when changes take effect in October and April.

**Homeowners don't know if they're in areas with high wildfire risk.** According to [Property Casualty 360](#), a poll shows that many homeowners are worried about wildfires, but they aren't talking to their insurers or taking steps to mitigate risks.

**Traffic fatalities rise again in 2021.** According to [CNET](#), even though Americans are driving less, the NHTSA says traffic fatalities increased 10.5% in the first quarter of 2021. Risky driving appears to have increased during the pandemic.

## EMPLOYEE BENEFITS



**COVID-19 could impact healthcare costs for years.** [Insurance Journal](#) explains that chronic conditions related to COVID, as well as health issues related to delayed testing and treatment during the pandemic, could increase premiums for decades.

**Employers need to rethink commuter benefits.** According to [Business Insurance](#), now that many workers have remote or hybrid arrangements, employers may need to pause, cancel, or reallocate commuter benefit funds.

**Better benefits could help retain workers.** As workers quit in large numbers, [Risk & Insurance](#) explains that a lack of childcare benefits and scheduling flexibility could be contributing to the problem.

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## LIFE INSURANCE

**COVID-19 vaccination shouldn't impact life insurance claims.** According to [InsuranceNewsNet](#), the ACLI senior health actuary has refuted claims that vaccination status could impact approval of life insurance claims.

**Younger workers don't want to depend on group life insurance.** [InsuranceNewsNet](#) explains that amid a freelance boom, younger workers are interested in life insurance coverage that is not tied to an employer.



**Life insurance sales increase.** [Think Advisor](#) reports that universal life insurance sales soared as in-person meetings resumed. Term life and fixed universal life sales also increased slightly.

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## HEFFERNAN INVESTMENT SERVICES

**Annuity offerings could be well received.** According to [Advisor News](#), a recent survey shows that 88% of plan sponsors and participants believe income in retirement is vital to financial security.

**Advisors consider recommending crypto.** [Think Advisor](#) says that 26% of advisor plan to increase their crypto use or recommendations, compared to only 1% who said so a year ago. However, considering the volatility, caution is needed.

**Demand for Environmental, Social and Governance (ESG) investments increases.** [Entrepreneur](#) reports that ESG investments have less volatility and better equity return than their counterpart, and investors are increasingly interested in sustainable investing.





## HEFFERNAN RETIREMENT SERVICES

**More Americans want to retire early.** According to [Advisor News](#), a new survey from the New York Federal Reserve finds that only 50.1% of respondents plan to work past age 62, a 2% decrease from the previous year.

**High inflation requires the right retirement strategies.** Inflation hit 5.3% in August. [Money](#) explains the impact of inflation on retirement, and [Forbes](#) warns against inflation-induced retirement investment mistakes.

**A strategy to fund long-term care is missing in many retirement plans.** According to [Kiplinger](#), a study found that advisers and clients agree that it's important to plan for long-term care – but only 17% of people have done so.

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