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Heffernan's Quarterly

News & Views



Because You're Different

COMMERCIAL LINES

Ransomware threat worsens. As ransomware attacks rise, [Reuters](#) says that a top banking regulator has warned firms that they need policies in place to protect themselves, and [Insurance Journal](#) says insurers have reduced cyber coverage in response to hefty payouts.



Businesses in high-crime areas must take security measures or face liability. [Claims Journal](#) says that a Georgia appeals court has upheld a \$43 million verdict against CVS over the shooting of a customer by a robber.

Disasters create need for business continuity strategies. In light of rising risks, [Property Casualty 360](#) offers tips that can help businesses prepare for fires, storms and other disasters.



PERSONAL LINES

California wildfires are leading to insurance policy disputes. After the Insurance Commissioner ordered the FAIR Plan to sell more than just fire insurance, [AP News](#) says that private insurers argue this will increase costs for consumers.

Traffic fatalities continue to surge. [Reuters](#) says that U.S. traffic deaths increased 18.4% in 2021, making it the deadliest first half of a year since 2006.

Some areas face flood insurance price hikes. FEMA is rolling out its Risk Rating 2.0 program. [Property Casualty 360](#) takes a look at five places that will see rate hikes as a result.

EMPLOYEE BENEFITS

Experts discuss the post-pandemic future of telehealth. According to [Risk & Insurance](#), experts say telehealth is effective in reducing time away from work and medical costs while improving satisfaction.



Employee appreciation for non-medical benefits grows. According to [InsuranceNewsNet](#), a study predicts that non-medical benefits like paid family medical leave, life insurance and disability insurance will increase 20% by 2026.

Employers are responding to the Great Resignation. [SHRM](#) says that employers are using benefits and flexible, remote work options to address high turnover rates.

LIFE INSURANCE

COVID deaths surprise U.S. life insurers. [ThinkAdvisor](#) says that the number of U.S. deaths has been higher than what insurers anticipated, especially among working-age individuals.

New COVID variant has not impacted life insurance rates. [InsuranceNewsNet](#) says that life insurance prices are stable according to a December index despite the emergence of the Omicron variant.

Life insurance sales surge. According to [Insurance Business](#), LIMRA has reported an 18% increase in total life insurance new annualized premium in the third quarter.



HEFFERNAN INVESTMENT SERVICES

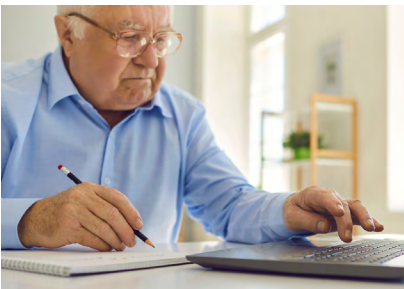
Inflation is causing anxiety for investors. [AdvisorNews](#) looks at what high inflation rates mean for investors and why it's not time to panic yet.

Amid booming annuity sales, lawmakers are introducing new legislation. [ThinkAdvisor](#) looks at 10 annuity bills introduced in 2021.

Environment, social and government (ESG) investing draws criticism and praise. [Kiplinger](#) looks at how ESG investing, which has been on the rise, differs from ethical investing.



HEFFERNAN RETIREMENT SERVICES



Retirement income replacement needs are increasing. According to [ThinkAdvisor](#), the money needed to maintain one's lifestyle in retirement has increased by 12% since 2016, and it's not due to inflation.

A new report revives "4% rule" debate. According to [AdvisorNews](#), a Morningstar report discounts the popular guideline for retirement withdrawal rate, stating that a 3.3% withdrawal rate may make more sense in the current market.

Retirees grapple with long-term care payment options. According to [Kiplinger](#), most seniors will need long-term care, and there are four ways to pay for it – but health insurance and Medicare aren't among them.

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All performance referenced is historical and is no guarantee of future results. The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that strategies promoted will be successful. We suggest that you discuss your specific situation with your financial advisor prior to investing.

Annuities are long-term investment vehicles designed for retirement purposes. Gains from tax-deferred investments are taxable as ordinary income upon withdrawal. Guarantees are based on the claims paying ability of the issuing company. Withdrawals made prior to the age 59 ½ are subject to a 10% IRS penalty tax and surrender charges may apply.

Contributions to a traditional IRA or 401(k) may be tax deductible in the contribution year, with current income tax due at withdrawal. Withdrawals prior to age 59 ½ may result in a 10% IRS penalty tax in addition to current income tax.

Roth IRAs and 401(k)s offer tax deferral on any earnings in the account. Qualified withdrawals of earnings from the account are tax-free. Withdrawals of earnings prior to age 59 ½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax. Limitations and restrictions may apply.

For information about specific insurance needs or situations, contact your insurance agent. Guarantees are based on the claims paying ability of the issuing company.

Investing involves risk including loss of principal. No strategy assures success or protects against loss.

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