



Personal liability trends — growing litigation risks and costs

Both the frequency and dollar amount of liability claims, especially those related to car accidents, are on the rise — and your risk may be greater than your current limits, leaving your personal assets exposed. That's why it's prudent to adequately protect your financial future in the event these disastrous trends impact you or your family.



Personal liability trends that may affect you

The liability coverage that comes with your home or auto policy will provide some protection in the event you are in an accident injuring another or someone is injured at your home but may be inadequate in the event of a lawsuit.

A personal Excess Liability policy can help safeguard you when the underlying liability limits of your policies aren't enough to cover the unexpected costs of a lawsuit or accident, especially given recent trends.

Consider the following liability claim statistics, and the growing costs around them:

Increased frequency and severity of liability claims

- Pedestrian fatalities are trending upward — they surpassed the largest number seen in over 40 years and continue to rise.
- Homeowners with significant, visible property assets can be a target for claims such as a slip-and-fall, dog bite, and other occupiers' liability claims.
- A report by Cambridge Mobile Telematics indicates that auto accident fatalities are dramatically on the rise, which has been attributed to increased incidents of speeding, distracted driving, and driving while intoxicated.

Increased amounts of liability judgments and settlements

- People filing lawsuits more frequently, and increasingly high jury verdict awards and settlements are significantly outpacing consumer inflation rates, thereby increasing risk to families.
- Annual legal advertising by the Plaintiffs' bar is on pace to exceed one billion dollars. These ads promote high-dollar settlements which, in turn, normalize higher damage awards, influence jurors and heighten plaintiff expectations.
- Statistics indicate rising rates of personal excess/umbrella claims, as well as rising settlement amounts based on non-economic damages and psychological damages, such as emotional distress, PTSD, and anxiety.

Despite these trends, a Chubb 2023 Wealth Report study found that while 92% of respondents were concerned about the size of a verdict against them if they were a defendant in a liability case, only 36% had excess liability insurance.

Real risks and real-life claim case studies

R&R Insurance is built on doing more for our clients — and this is never more critical than when facing potentially devastating liability litigation. Here are some real-life situations and damage amounts that have been awarded.



Pool party turns tragic

\$15.5 million plaintiff demand

A homeowner's daughter hosted a pool party while the parents were out of town. When a guest dove head-first into a shallow area of the pool, he suffered severe injuries, including traumatic brain injury.



Truck-driving client hits cyclist

\$10.5 million plaintiff demand

While driving his pickup truck, a driver hit and caused serious injuries to a cyclist, who then sued. There was evidence that the driver had been texting while driving. The insured had an underlying auto policy with \$500,000 in limits, which the primary carrier tendered. With an excess liability policy in place, the excess liability insurance company retained defense counsel for the insured.



Under-insured motorist causes severe client injuries

\$9.75 million plaintiff demand

A policyholder was rear-ended by an under-insured motorist and suffered severe neck trauma that required multiple surgeries. The other driver's liability insurance wasn't enough to cover the policyholder's medical costs and damage claim. Fortunately, the policyholder had purchased Excess Uninsured / Under-insured Motorist coverage as part of his excess liability policy, as recommended by R&R Insurance, which protected him when he needed it most.

Choosing the right insurance partner

Successful families and individuals trust R&R Insurance because of our years of experience as well as the features of the coverage and companies we recommend, which distinguishes R&R Insurance from our competition. These features include:

- **High limits** — We can access some of the highest liability limits available, ranging from \$1 million to \$100 million.
- **Worldwide coverage** — The coverage protects you both at home and abroad, just about anywhere life takes you.
- **Protection on the road** — Including optional coverage for accidents with an Uninsured or Under-insured driver.
- **Dedicated personal lines liability claims oversight** — With extensive experience, we take a personal approach to each case, understanding the toll litigation takes on our clients. We also partner with experienced defense counsel who defend our clients and walk them through every step of the litigation process.
- **Continued coverage for defense costs** — We can offer coverage for defense costs for covered claims for as long as you need it, through various stages of appeals and even after your liability limits payments are exhausted
- **Liability protection for libel and slander** — This includes social media exposures, which is important for families.
- **Coverage for acts of your domestic employees** — This is offered for the length of your staff member's employment.

Changing conditions call for better protection

Considering the increasing litigious and costly liability landscape and the probabilities of encountering under-insured drivers, it may be time to purchase a personal excess liability policy or review your current policy limits. Talk to your R&R Insurance agent about what's right for you.

