



How Evolving Education Risks Shape Insurance Pricing

Market Realities

These forces are impacting insurers and institutions of all types and sizes across the education risk market.



Severity and Complexity of Claims

- Increasingly complicated liability matters
- Greater frequency and duration of litigation activity
- Rising defense and settlement costs



Evolving Legal and Regulatory Environment

- Stricter oversight, reporting, and governance expectations
- Shifting liability standards and social inflation trends



Dynamic and Costly Exposures

- Rapidly evolving student, employee, and campus risks
- Increasing climate/catastrophe exposure and aging infrastructure impacts



Structural Cost Drivers

- Inflation in medical, labor, and legal costs
- Fragmented tort-reform landscape
- Higher total cost of risk over time

UE Supports Education Leaders

We provide the stability, clarity, and education-specialized partnership brokers and institutions need:

- **Stable, long-term capacity** that supports continuity of essential coverages
- **Ease of doing business** with clear underwriting, trusted guidance, and transparent risk transfer options.
- **Risk Management for education** helping to prevent losses and strengthen risk maturity with practical resources and risk consultants
- **Expert claims partnership** grounded in education realities, focused on early strategy, strong defense, and member support

How the Insurance Market Is Responding

- Underwriting standards are evolving.
- Coverage terms and limits are tightening.
- Pricing increasingly reflects current risk conditions and loss experience.



FAQs

Why are premiums increasing?

- As risks and market conditions change, pricing reflects the cost and complexity of coverage.
- United Educators (UE) sets pricing to support our membership and sustain the coverage, service, and trusted claims experience on which members rely.

Is this issue specific to UE?

- Social Inflation is affecting all sectors, not just education.
- Many insurers are increasing rates in response to market pressures.
- The cost of risk has increased across property and casualty insurance.

Why should I stay with UE?

- Our value extends beyond coverage.
- We have deep education-sector expertise.
- We help educational institutions identify and prevent the complex risks unique to education through sector-specific underwriting, proactive risk management, and superior claims experience.
- We offer stability of coverage consistent with our long-term commitment to serve education.
- We provide responsive and personalized support for a diverse group of educational institutions, from large statewide public universities to small, independent K-12 schools.
- We pride ourselves on being a trusted, mission-driven ally, invested in helping educators advance their missions and protect their communities.

How does UE prepare to pay for members' rising claims costs?

- We exist to meet our members' liability insurance and risk management needs today and in the future.
- Our AM Best "A" (Excellent) rating recognizes that we maintain a strong surplus position, including through members' subscriber savings accounts (SSAs).
- This balance sheet strength helps moderate insurance market volatility, supports expert claims handling and risk management services, and underlies UE's financial strength.
- We maintain an industry-leading low expense ratio.

SUSTAINABLE COVERAGE REQUIRES SUSTAINABLE PRICING.

We are strengthening underwriting and pricing discipline to protect member value, so members can get UE coverage with confidence and rely on us as a consistent, long-term partner. For more information, contact your broker or visit ue.org/discover-ue.