

# Chubb Group Personal Excess Liability Insurance FAQ

## Non-Admitted vs. Admitted Insurance

### 1. Why has the SCPMG Chubb Group Personal Excess Liability Policy switched to non-admitted, effective July 1, 2024?

Most renewals are being moved to non-admitted due to claims activity and/or participation that is lower than current requirements in the admitted market. Claims, when they occur, are rarely settled out of court and are moving to jury trials where awards of policy limits are commonplace.

### 2. What is the difference between non-admitted insurance and admitted insurance?

If an insurance company is admitted, it means they have met the regulations set by the state's Department of Insurance. Non-admitted insurance carriers do not have to meet state requirements; however, they are regulated by the state surplus lines office. This means an admitted insurance company is required to file policy forms, rates, and requirements with the state prior to selling. Non-admitted insurance companies do not have to file with the state, giving them more flexibility.

### 3. What happens if the insurance company becomes insolvent?

If an admitted insurance company becomes insolvent, the state will step in to make payments on claims. If a non-admitted insurance company becomes insolvent, there is no guarantee that claims will be paid, even if the case is active at the time of bankruptcy or financial failure. Because they do not have the backing of state guaranty funds, non-admitted insurance carriers are required to have larger capital reserves in order to do business.

### 4. What is the financial stability of Chubb?

Chubb has more than \$225 billion in assets and reported \$57.5 billion of gross premiums written in 2023. Chubb's core operating insurance companies maintain financial strength ratings of A++ from AM Best and AA from Standard & Poor's.

### 5. What are the benefits of non-admitted insurers?

Because the regulations are less stringent for non-admitted insurers, they can typically insure complicated risks that the standard market won't cover.

### 6. Will I notice this change from admitted to non-admitted?

As a policyholder, you will not notice the change in policy status from admitted to non-admitted, with

the exception of the surplus lines taxes and fees that are included in your rates. There is no change in contract or the enrollment process for the renewal. The same departments will handle the processing of the policy and claims. This means if a claim was opened under the admitted policy (prior to 7/1/24), you will not see any change in the handling of this claim.

**7. I have more questions; who can I contact?**

If you have questions, please contact our Group Excess Liability Insurance Team. We are happy to assist you over the phone at (503) 601-6877 or via email: [groupexcess@tpgrp.com](mailto:groupexcess@tpgrp.com). Office hours are 8am-5pm PST.