

RISK SOLUTIONS

Active Assailant and Workplace Violence Insurance Solutions to Help Mitigate and Manage a Malicious Attack

Authored By Joshua Watson



Overview

In 2023, 604 mass shootings occurred in the United States, leaving 704 deceased and 2,422 wounded. This averages to about 1.5 shootings a day and 109 days without a mass shooting. According to a 2023 FBI Report, 50 active shooter incidents occurred in 2022, with 100 casualties and 213 wounded as a result.¹ Since 2018, 211 incidents have been identified as active shooter incidents, causing 429 deaths and injuring 774. This includes school shootings, attacks on businesses and shootings in public locations.

Active assailant incidents are not limited to the use of a firearm or mass casualties. Many events include malicious knife attacks, use of blunt force instruments, attacks with vehicles and explosives in public places. Regrettably, these instances are becoming more frequent as malicious actors continue to find ways to inflict harm and terror on the public.

Perpetrators vary greatly, including domestic/foreign assailants or individuals driven by distorted revenge motives. Rise of political violence and domestic extremism in the United States has given rise to an increased threat of violence, which borders the fine line between active assailants and terrorists. Many perpetrators work alone, without organizational influence, choosing victims and locations randomly. According to the FBI, in 2022, 52% of incidents occurred where there was no known connection to the location, people or organization.¹

The unpredictable nature of these incidents is compounded by the continuous evolution of methods, targets, motives and weapons employed by assailants, making predictions challenging.

Prevention, Mitigation and Coverage

Many organizations are unprepared for malicious acts against their business or employees. To help prepare for the possibility of such an act, organizations can work with risk intelligence and mitigation firms that specialize in these types of incidents.

The overall goal for an organization formulating an active shooter plan is mitigating risks to keep all people (customers, employees, vendors and the public) safe and the business intact and operational. This includes identifying, analyzing, evaluating and mitigating any vulnerabilities and risks within the organization, including physical, operational, governance and financial, potentially posing a liability or increased chance of harm.

Organizations can help prevent insider attacks by providing access to brain (mental) health resources for employees, helping them process a personal or work crisis that could provide a mitigating factor for an attack. According to Samphire Risk, 93% of active assailants dealt with severe or complex personal issues, 68% had been diagnosed with a mental illness and 44% had experienced a life trauma.² With the proper outlet and support, workplace violent acts due to a mental health crisis can be mitigated but, unfortunately, not eliminated.

A recommended part of any active assailant or workplace violence risk mitigation plan is a review of current insurance policies to confirm it includes the following coverages.

¹ FBI, "Active Shooter Incidents in the United States in 2022," (<https://www.fbi.gov/file-repository/active-shooter-incidents-in-the-us-2022-042623.pdf/view>)

² Samphire Risk Quarterly Report, "Active Shooter and Domestic Terrorism in the USA," November 2023



Risk Consultation

Working with top crisis management firms worldwide, Brown & Brown can help provide access to specialists in security risk management and workplace violence prevention to help craft a custom plan to mitigate the risk to your employees, customers and the public and have a working plan if the unspeakable occurs.

Event Response and Recovery

Active assailant incidents are unpredictable and often elude anticipation. However, if unprepared, the potential repercussions on your people and organization have a large scope. This encompasses possible closure of premises, business interruptions and property damage. Moreover, an attack can lead to tragic consequences for the people involved, including psychological trauma, physical injuries and even loss of life. Brown & Brown can help provide custom coverage to cover unplanned expenses, damage to property, injuries and additional costs for the response, recovery and rehabilitation of those affected by a challenging event.

Active Assailant Coverage

While conventional insurance coverage offers some protection for impacted businesses and individuals, the language is often unclear and may leave significant gaps in coverage. General liability and workers' compensation can provide some coverage. However, there may be gaps

for items like crisis response expenses, public relations and counseling expenses covered under an active assailant policy.

Coverage can be triggered by other events, not only in the case of an active assailant. It could also include a credible threat, threat of a stalking event and business interruption coverage for loss due to a malicious act within your location's proximity. Most policies have a trigger for the brandishing of a weapon with malicious intent to cause harm or fear.

Most active assailant policies provide 'first dollar' coverage for malicious attack events. This means they will help with immediate payment for a threat or event, subject to a deductible. A significant part of this coverage includes access to crisis management consultants, which is often recommended as the second call after 911 in the event of an active assailant or malicious act against your business or within its vicinity.

Active assailant policies are comprehensive casualty and property policies that provide many areas of coverage for the occurrence or threat of a malicious act.

Liability

While some coverage could be extended from a traditional general liability policy, third-party liability is offered as a primary coverage to help cover damages sought by customers, bystanders or visitors.

Property Damage

Often not limited to just a loss of life or injury, there can be significant damage to property from an active assailant event. Most policies offer coverage for the building and contents, such as computers, furniture and flooring.

Crisis Response Expenses

Immediate access to crisis response specialists can be the difference between a business surviving or going under due to an active assailant event. Coverage is provided, up to 90 days, for expenses such as:

- Security consultants
- Forensic analysis
- Public relations
- Temporary business relocation
- Additional security costs
- Medical costs

Recovery Expenses

Active assailant events can also create additional expenses not typically covered by an existing policy. These could include:

- Counseling, seminars and therapy
- Salary of employees who were victims
- Cost to retrain injured employees
- Costs to hire temporary employees
- Rest and rehab of injured employees
- Funeral or cremation costs
- Repatriation of body or remains

Business Income

If an event occurs at or near your location, law enforcement may prevent ingress or egress, causing significant loss of income. In some cases, coverage can be provided for up to 12 months for loss of income.

Defense Costs

Lawsuits due to mental, emotional or physical injuries from victims can reach substantial costs following an active assailant event. Coverage can be provided for costs associated with your organization's defense.





Personal Accident Coverage

If an event results in a permanent disability or injury, coverage can be provided to help mitigate costs and provide additional support for victims. These cases could include the following:

- Death benefit to a victim's family
- Permanent or total disablement, including paraplegia
- Loss of limb(s)
- Loss of sight
- Loss of hearing

Conclusion

In conclusion, the threat of an active assailant or malicious act has increased steadily over the past 20 years. Brought on due to a mental health crisis, thirst for revenge, political or religious extremism or simple malice, malicious attacks are characterized by extreme violence and desire for terror. Any organization could become the target of an attack or be caught in the crossfire of damages from an attack. Proper diligence to mitigate and manage risk includes identifying vulnerabilities, developing a crisis management strategy, providing resources for employees and obtaining the correct insurance coverage needed to provide indemnity and resources for an unexpected event.



How Brown & Brown Can Help

Connect with our Brown & Brown team to learn about our knowledge in your industry, how we build our risk mitigation strategies and how we can aid your business in building a cost-saving program.



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