

ARKANSAS INSURANCE DEPARTMENT
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Cyber Risk Matters Renewal News

(2020-2021)

CYBER LIABILITY INSURANCE – All AMAIT Participating State Agencies, Public Institutions of Higher Education, Boards, Commissions, and Departments

The Legislature created the Arkansas Multi-Agency Insurance Trust Plan (AMAIT) in 2003. The mission of the Risk Management Division through AMAIT is to provide excellent insurance coverage while stabilizing annual premium costs paid by participating state government entities. ACT 1188 of 2015 amended the Trust Fund act to allow for Cyber Liability Insurance. Cyber Liability Insurance coverage for all participating governmental entities became effective August 14, 2018.

The Cyber Liability Insurance Plan, as a part of the AMAIT, is new. Loss experience to determine expected frequency and severity, so as to establish pricing, is developing. As of 5.15.2020, there have been (23) claims reported in the first (20) months of operation with \$1,517,967* of total incurred losses. The rates for this insurance plan are increasing by 35.0% to cover the increased cost for the purchase of the insurance policies and the increased cost for the trust fund's financial responsibility for the aggregate retention and the following maintenance retentions. (* Claim reserves continue to increase as the claim files mature).

Should you have any questions regarding your agency premium please contact the Risk Management Division by phone or email at the following (501) 371-2690 or insurance.risk.management@arkansas.gov.

SEE ENCLOSED RENEWAL INVOICE.

WE HAVE MOVED! PLEASE NOTE NEW ADDRESS ABOVE