

[Climate Change Pressures Higher Property Insurance Premiums](#)

Climate change is already pressuring premiums for homeowners, commercial and other types of insurance coverage. California homeowners in wildfire-prone areas are being turned down for coverage. The National Flood Insurance Program



(NFIP) will be increasing premiums this spring.

My article in the January issue of Leader's Edge, [Climate Appetite](#), explains why businesses should consider the change in climate seriously to mitigate future risk. The piece also covers the important role insurance agents and brokers will play to support their clients.

There is also an overview of catastrophic losses and their impact on insurers.

Whether you believe global warming will cause serious changes to the earth's environment — or not — the story should be a wake-up call. Businesses need to take a harder look at their properties. Being sustainable could mean relocating, reinforcing buildings or taking maintenance and repair more seriously.

Making these investments now is a good idea. Besides protecting business personnel and property, it could keep insurance premiums in check.

After reading my latest [Leader's Edge](#) article, please check out my [Actuarial Review](#) articles relating to weather and insurance.

- [Risky Business](#) explains why climate change has become the top risk of concern for actuaries and risk managers.
- [2017: The Year of the CATs](#), discusses how extreme weather made 2017 the highest loss year for losses, bypassing 2005 of Hurricane Katrina fame.
- [The SLR Factor](#) covers why sea levels are on the rise. It also explains why actuaries should consider the impact of rising sea levels when developing rates for pricing property insurance.