CLAIMS CORNERSTONE

A Quarterly Claims Update from American Global - Volume 1 Issue 4

AMERICAN GLOBAL
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JULY 2026

ARTICLE SPOTLIGHT

Spotlight: "Average Data Breach Cost Hits $10.2 Million"

Cyber risk continues to be one of the most significant challenges facing organizations today, with the average cost of a U.S. data breach now reaching $10.2 million. As cyberattacks become more sophisticated and regulatory scrutiny increases, businesses are facing greater financial, operational, and reputational consequences following a breach.

For insurers, risk managers, and claims professionals, this trend underscores the importance of strong cybersecurity practices, employee awareness, and effective incident response planning. As cyber exposures continue to evolve, proactive risk management remains critical to minimizing losses and strengthening organizational resilience.

Read the full article

EMPLOYEE SPOTLIGHT

Meet Chrissy Williams:

- **Number of Years in Claims:** 18 Years
- **Areas of Expertise:** Claims advocacy across all lines of business, including general liability, auto, property, professional liability, management liability, and complex construction-related claims.
- **What do you enjoy most about claims?** The customer service side of claims. I enjoy helping clients through difficult situations and working to get issues resolved as quickly as possible with the best outcome. No two claims are ever the same, so every day is different. It keeps things interesting and constantly challenges me to problem solve.
- **Best Claims Advice or Best Practices:** Communicate early and often, report claims as soon as possible, and document everything. Staying engaged, asking questions, and treating claims like a partnership helps keep things moving smoothly and leads to better outcomes.
- **When I'm not working, you can find me:** At the softball field cheering on my daughter or at the sporting clay range watching my son compete. I also enjoy reading, working on home projects with my husband, and just spending time with my family, friends and dogs!
- **Of all AG's Values: Creative, Innovative, Credible, and Driven, I believe I most strongly exemplify:** Collaborative. I work across multiple offices, which gives me the opportunity to collaborate with a wide range of internal teams and client partners.

Chrissy Williams
Assistant Vice President
Georgia Office

AVERAGE DATA BREACH COST HITS $10.2 MILLION

The average cost of a data breach in the U.S. hit $10.2 million in 2025, according to a new report from Chubb.

That's twice the global average of $4.4 million per data breach, the report said.

Cyber insurance claims are also on the rise. For businesses with $1 billion or more in revenue, the average claim was $4.4 million in 2025, up from an average of $2.2 million in 2024 and up 586% from 2021.

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TRAVELERS: RANSOMWARE ATTACKS HIT NEAR-RECORD HIGH

Ransomware attacks hit another near-record high in the first quarter of 2026, according to a new report from Travelers.

In the first quarter, 2,405 ransomware victims were posted to leak sites, down just 2% from the record-breaking high set in Q4 2025 and up 7% from the year prior. Since 2022, ransomware claims have increased 80%, according to Travelers data.

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5 HURRICANE SEASON SUPPLY-CHAIN RISKS (AND WHAT TO DO ABOUT THEM)

Insurance brokers working with retailers and large shipping outfits should approach the 2026 hurricane season with a proactive focus on supply chain resilience, exposure management, and coverage alignment, according to a recent briefing published by the Falvey Insurance Group.

Recent forecasts predict a relatively calm hurricane season in the Atlantic while the Pacific could be more active. However, even a "below average" storm season can still produce severe losses from a single major event.

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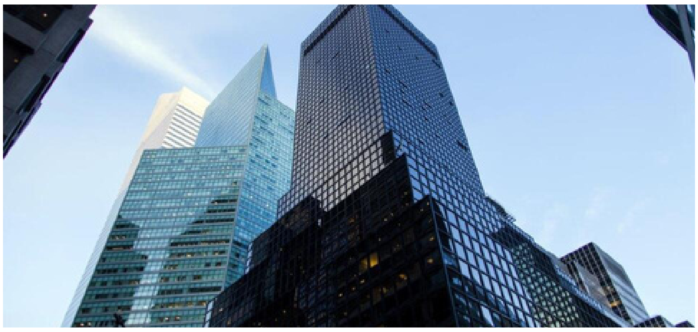

COLORADO DEVELOPER SECURES $3B FOR DATA CENTER CAMPUS NORTH OF AUSTIN

The city of Temple is getting a new data center campus.

Rowan Digital Infrastructure, a Colorado-based developer of sustainable, hyperscale data centers, has obtained $3B in debt financing to back the build-out of a 300-megawatt campus in Temple, a city about 70 miles north of Austin.

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TOP WAYS HACKERS GAIN ACCESS TO SYSTEMS

Artificial intelligence is reshaping the cyber insurance landscape, according to Beazley's latest Spotlight on Cyber Threats and Tech Advances 2026 report. The findings point to a rapidly changing threat environment where AI-powered attacks, ransomware innovation and expanding third-party vulnerabilities are driving new concerns for insurers and policyholders alike.

The report emphasizes that cybercriminals are increasingly leveraging AI to improve the effectiveness of phishing and impersonation attacks. These tools enable attackers to produce highly personalized messages and realistic fake communications, increasing the likelihood of successful fraud and credential theft. For insurers, the trend may contribute to more frequent social engineering claims and larger financial losses.

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RISING INSURANCE COSTS ARE PUSHING MORE AMERICANS TO CONSIDER MOVING

In a reversal of migration trends over the past 25 years, Americans are beginning to move away from areas where the high risk of extreme weather events is pushing up the cost of property insurance.

Residential real estate values have grown by more than $20T since 2020 — but insurance costs have also spiked by double digits on an annual basis since 2017. Now, states with the highest levels of climate risk are starting to see changes in migration as insurance costs begin to tarnish property values, according to data from real estate business intelligence firm Cotality.

“We just see very early signs that insurance premiums are having an effect on where people live,” John Rogers, chief data and analytics officer at Cotality, said onstage at the 2026 National Association of Real Estate Editors conference

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WORKERS' COMP CLAIM COSTS RISE ACROSS STATES

Total workers' compensation claims costs have increased an average of 6% between 2022 and 2025 in the median study state, according to the 2026 edition of the Workers Compensation Research Institute's (WCRI's) CompScope Benchmarks. The reports compare the performance of state workers' compensation systems in 18 different U.S. states. The focus covers overall medical payments, income benefits, use of benefits, duration of temporary disability, benefit delivery expenses (BDE), timeliness of payments, and other metrics, as well as how these metrics have changed between 2020 and 2025.

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TRAVELERS: CLAIM COMPLEXITY RISES AS WORKPLACE INJURIES DECLINE

Even as workplace injury frequency declines, workers' compensation claims are becoming more complex, more expensive and slower to resolve — trends that are reshaping how insurers, brokers and employers approach workplace risk management.

That's one of the key findings in the latest Injury Impact Report from The Travelers Companies, which analyzed more than 1.2 million workers compensation claims filed between 2021 and 2025. The report found that injured employees now miss an average of 80 workdays, an increase of more than seven days over the past decade.

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SAFETY CORNER

A comprehensive safety inspection checklist for construction should cover fire prevention, emergency exits, electrical hazards, housekeeping, fall protection and PPE. Other areas include hazard communication, equipment, ladders, scaffolding, excavations, cranes, MOT, steel erection and several other areas on a construction project. Some general construction checklist resources are:

Click here for full Document

Summary provided by David Wessin
Vice President | Risk Engineering

WORKERS' COMP MEDICAL COSTS HELD STEADY IN Q1

Workers' compensation medical prices were up just 1.8% in March, even as prices rose elsewhere, according to a new report from NCCI.

By comparison, consumer-paid medical costs were up 4% in March, and the Consumer Price Index was up 3.3%.

Workers' compensation medical services tend to follow consumer health prices more closely, and the NCCI said the gap this quarter will be an interesting trend to watch.

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HELPFUL LINKS

- OSHA Safety
- Upcoming Webinar on 7/16
- Upcoming Webinar on 8/20
- Pete Fowler Construction Webinar Series

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