



Church Executive

HELPING LEADERS BECOME BETTER STEWARDS.

INSURANCE CARRIERS AS CHANGE AGENTS:

EXAMINING THEIR POTENTIAL IMPACT ON
SEXUAL ABUSE PREVENTION

Presented by:
Love & Norris & MinistrySafe



INSURANCE CARRIERS AS CHANGE AGENTS:

Examining their potential impact on sexual abuse prevention

By Gregory Love & Kimberlee Norris

Many aspects of child sexual abuse risk are known and settled, including safety system elements necessary to prevent abuse. A significant challenge remains: inspiring the local church and child-serving ministries to *understand and apply* current standards of care in child-serving contexts. Notwithstanding ongoing headlines, churches and Christian ministries tend to be slow to enact safety system elements. Until safety protocols are deployed *at the church level*, the sexual abuse crisis in the church will continue unabated. Something must change.

But who (or what) is in the best position to bring about needed change? *Insurance carriers.*

THE ISSUE IS ENORMOUS

It's clear that sexual abuse risk is immense and the consequences massive. Conservative studies report 60 million survivors of child sexual abuse in the United States, which equates to 1 in 5 Americans. That number is growing: 1 in 4 girls and 1 in 6 boys will be sexually abused before reaching adulthood. The impact and trauma of sexual abuse cannot be overstated, and the Church is not exempt.

COST OF CLAIMS

In addition to the human cost, settlements and judgments arising from sexual abuse litigation continue to climb. In a report published in 2022, the average cost to resolve sexual abuse claims was calculated as follows:
*Average payout for cases settled out of court: \$2.5 million
*Average payout for cases concluding with a jury verdict: \$10.3 million

Insurance carriers are encountering significant payouts — increasing year-over-year — with no reason to believe the increased exposure (and subsequent claims) will slow.



STANDARDS OF CARE

Today, standards of care related to child sexual abuse risk are well-established; in the mid-1990s, these standards were more fluid. The sexual abuse crises of that decade created an environment wherein expert witnesses, legislatures and licensure entities advocated for child protection in child-serving organizations. This consortium yielded various safety system elements meant to address sexual abuse risk, including:

- Sexual Abuse Awareness Training
- Effective Screening Processes
- Background Checks
- Policies and Procedures, and
- Systems for Monitoring and Oversight.

Civil litigation, where money damages are at issue, focuses on whether the organization sued had reasonable preventative elements in place *and* whether the lack of preventative protocols gave rise to the alleged abuse. The claims are typically framed as:

- Negligent Screening or Hiring
- Negligent Training
- Negligent Supervision
- Negligent Retention

A failure of one or more safety system elements leads to one or more of the claims referenced above.

MINISTRIES ARE SLOW TO CHANGE

The costs are enormous and the headlines ubiquitous; yet, most ministries are not prepared for the risk of child sexual abuse. Some ministry leaders simply do not prioritize sexual abuse risk; others unknowingly hold onto various misconceptions that perpetuate weak risk management, such as:

- *Sexual abuse is not a REAL problem for our size or type of church;*
- *We know our members and are sure they are safe;*



Legislating standards of care is complex, which is why most legislative efforts aimed at child sexual abuse risk avoid legislating changes in standards of care. Because most law makers are not sexual abuse experts, proposed legislation often involves expanding statutes of limitations, broadening reporting requirements and stiffening criminal penalties. Insurance carriers, by contrast, are staffed by professional risk managers who address sexual abuse issues on a daily basis. ” ”

and the Texas Youth Camp Act of 2006 (state legislation). In each of these laws, standard of care requirements were clearly expressed. In addition to clearly expressed safety system requirements, identified entities were tasked with oversight: the U.S. Center for SafeSport and the Texas Department of State Health Services, respectively. Designating an oversight entity provides a framework for compliance and a mechanism for enforcement. Any attempt to create standard of care legislation *without naming a designated* entity authorized for oversight will lack any meaningful avenue for compliance and enforcement. Every child-serving organization must have knowledge of and comply with legislative requirements. Whether the organization is in compliance is commonly determined by a licensure entity, or by a judge or jury in the litigation process. At that point, lack of risk management is *revealed* rather than *prevented*. In sum, state and federal legislatures CAN introduce legislation requiring churches to implement safety system elements — but rarely DO.

California AB506 — legislation empowering insurance carriers
One recent exception is California Assembly Bill 506, which legislated safety system requirements for all Youth Service Organizations in California, including churches. AB506 legislated changes related to training, background checks and policies. Unfortunately, the legislation was poorly drafted and provided no oversight entity or mechanism for compliance and enforcement. Though the California legislature had the ability to create an enforcement mechanism, it appears to have handed that responsibility and authority to insurance carriers:

Section 18975(d)
(d) Before writing liability insurance for a youth service organization in this state, an insurer may request information demonstrating compliance with this section from the youth service organization as a part of the insurer's loss control program.
(Emphasis added.) ➤

- We run background checks; or
- We have a security team in place.

Other ministry leaders understand the need for a meaningful safety system but have practical limitations.

- “Doing more is outside our budget”; or
- “We don’t have sufficient staff members or volunteers to implement certain elements.”

For the past two decades, MinistrySafe has provided state-of-the-art resources tailored to the Church and Christian ministries that reduce the risk of child sexual abuse. Because this risk is solved *at the church level*, ministry leaders must access and deploy safety system resources *at the church level*. To correct common misconceptions, MinistrySafe educates ministry leaders and volunteers with information to better understand and address the risk of child sexual abuse. As the church’s learning curve increases, children are better protected. Nonetheless, churches do not commonly embrace change *voluntarily*, and are slow to prioritize proactive measures aimed at addressing the risk of sexual abuse.

So who can mandate change?

In general, only insurance carriers and legislatures — federal or state — can actually require or mandate action from child-serving organizations.

MANDATING CHANGE

Sexual abuse prevention occurs *at the church level*. Child sexual abuse risk is not addressed effectively in a corporate board meeting, at denominational headquarters, in a seminary class, or at a children’s conference; sexual abuse risk must be addressed within the program where children are served.

Some denominations are passing resolutions, making recommendations and creating “toolkits”, but change is slow. Churches in particular are not operating at the well-established *Standard of Care* level; in short, this problem is not (and cannot be) solved with resolutions and recommendations. Given polity and liability concerns, most denominations are unable or *unwilling* to mandate change.

Entities that can mandate change (rather than make resolutions or recommendations) are legislatures and insurance carriers. Between these two, insurance carriers are far better equipped as agents for change.

LEGISLATURES AS CHANGE AGENTS

Elected officials (local, state and federal) read the headlines too, and many elected officials have children who participate in youth and children’s ministries. Like many of us, these lawmakers are outraged and want change ... *and the outrage is bipartisan*.

Child sexual abuse is not an intuitive risk. Legislation that purports to address sexual abuse risk must be carefully crafted and informed by sexual abuse experts, which is time-consuming and difficult. Many lawmakers want to initiate change but lack the learning curve to carefully craft standard of care legislation. It’s easy to write *bad law*, which makes compliance a challenge.

Legislating standards of care is complex, which is why most legislative efforts aimed at child sexual abuse risk avoid legislating changes in standards of care. Because most lawmakers are not sexual abuse experts, proposed legislation often involves expanding statutes of limitations, broadening reporting requirements and stiffening criminal penalties.

Insurance carriers, by contrast, are staffed by professional risk managers who address sexual abuse issues on a daily basis.

Standard of care legislation

Notwithstanding a flood of new crises, legislatures have been slow to introduce legislation related to safety system requirements – particularly for faith-based organizations. Two significant legislative efforts related to standard of care include the Safe Sport Act of 2017 (federal legislation)

Ministries and insurance carriers have a vested interest in child sexual abuse prevention; both benefit when child safety is prioritized and when effective safety systems are implemented *at the church level*. Of necessity, insurance carriers continue to embrace the role of change agent, and former *recommendations* are becoming *requirements*. Though change might be inconvenient or expensive for many churches, everyone benefits — especially our children.

In essence, California lawmakers handed the responsibility of compliance and enforcement to insurers. Of course, insurance carriers did not need nor depend on legislative permission to request compliance information — insurance carriers already have that right *contractually*. Now, more than ever, insurance carriers are exercising that right.

INSURANCE CARRIERS AS CHANGE AGENTS

Insurance carriers hold a unique position related to child sexual abuse risk management and have distinct advantages versus state and federal lawmakers. Insurance carriers tend to see the risk more clearly, better understand risk reduction, *and* have contractual leverage to ensure ongoing compliance.

Carriers are knowledgeable risk managers

Insurance carriers are in the business of measuring and mitigating risk. Due to significant costs and other impacts associated with abuse claims, insurance carriers have necessarily become knowledgeable concerning child sexual abuse risk in various child-serving programs — *including churches*.

Carriers have the ability to request detailed information

As an element of the application or renewal process, insurance carriers can (and do) request detailed information to evaluate a church's efficacy in addressing sexual abuse risk. Insurance carriers commonly request and evaluate the following information:

- Training to equip staff members and volunteers with 'eyes to see' the offender's grooming process and *common grooming behaviors*;
- Screening protocols designed to identify and remove high-risk applicants;
- Background check strategies to gather and evaluate an applicant's past behavior;
- Policies & Procedures rooted in the grooming process and tailored to programming;
- Systems to monitor and oversee safety system elements and ensure continuity;
- Reporting processes consistent with best practices and legal reporting requirements;
- Written policy ensuring the correct response to an abuse allegation; *and*
- Other safety elements unique to the program type or population served.

Insurance carriers commonly request documentation related to one or more of the categories above.

Carriers have the ability to identify and provide effective resources

If evaluation reveals that a ministry falls short in one or more significant areas, the insurance carrier may decline a request for coverage or coverage renewal. In most instances, the carrier will outline deficiencies and identify or provide resources to satisfy underwriting thresholds; in essence, helping the church to adequately address child sexual abuse risk. In such a situation, both entities win: the insurance carrier brings on a 'safer risk', and the church strengthens its child safety efforts. Most importantly, children are protected.

Carriers can ensure implementation

In addition to evaluating safety system efforts at policy renewal, many insurance carriers will reserve the right to request proof of ongoing compliance during the policy period. Either way, the church must be prepared to regularly demonstrate ongoing efforts to address child sexual abuse risk in children's and youth programming.

TRANSFORMING THE TREND

In late 2022, Gallagher — one of the world's largest insurance brokers — convened a multi-industry symposium to address the ongoing crisis of sexual abuse in child-serving environments.

Transforming the Trend included leaders in risk management, insurance, child-serving organizational administrators, and trauma-informed response experts.

All three workgroups (Higher Education, Human Services/Non-Profits and K-12 Education) independently identified insurance carriers as a *prime mover* for change.

Peter Persuitti, symposium host and Global Managing Director for Nonprofits & Religious Practices, states:

"Churches have ready access to information and resources to prevent child sexual abuse. Often the biggest challenge is making *change* a priority. Insurance carriers are in an excellent position to initiate and sustain change — carriers have the ability to combine a deep understanding of the risk with the contractual leverage to require compliance. Churches should prioritize child abuse prevention because it is right, not because it is required. Nonetheless, insurance carriers are in an excellent position to push child protection up the priority list."

Learn more about *Transforming the Trend* on page 27.

SAME GOAL — DIVERSE PATHWAYS

Though all insurance carriers understand the importance of addressing child sexual abuse risk, various carriers have adopted diverse and unique approaches to engage churches unto change. Read more about those approaches in the following insurance carrier profiles.

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Kimberlee Norris and Gregory Love are partners in the Fort Worth, Texas law firm of Love & Norris [www.LoveNorris.com] and founders of MinistrySafe [www.MinistrySafe.com], providing child sexual abuse expertise to ministries worldwide. After representing victims of child sexual abuse for more than two decades, Love and Norris saw recurring, predictable patterns in predatory behavior. MinistrySafe grew out of their desire to place proactive tools into the hands of ministry professionals. Love and Norris teach the only graduate-level course on 'Preventing Sexual Abuse in Ministry Contexts' as Visiting Faculty at Dallas Theological Seminary.

The Value of a Snapshot

Preparing and Preserving Records

Many churches rely on **Church** Management Softwares (ChMS) to document administrative functions related to payroll, healthcare, taxes, and HR issues. MinistrySafe provides **Risk** Management Software (RMS) related to sexual abuse.

Organization ID: 105024

Manage Organizations ▶ My Organization ▶ Snapshot/Archives

Reports Integrations Snapshots Import Processes Invoices

Create snapshot/archive

Name	Download
My Organization 01-01-2023	↓
My Organization 06-01-2022	↓
My Organization 01-01-2022	↓
My Organization 06-01-2021	↓
My Organization 01-01-2021	↓
My Organization 06-01-2020	↓

My Organization 01-01-2023

User Information			Awareness		Background Check		Screening			
Name	Role	EMP / VOL	Training	Renewal	Status	Renewal	Application	Policies	References	Interview
Adams, Aaron	trainee	EMP	✓	04/29/2024	✓	04/06/2024	✓	✓	✓	✓
Ammons, Halle	supervisor	EMP	✓	06/15/2025	✓	05/05/2025	✓		✓	✓
Ball, Kathleen	trainee	EMP	✓	05/14/2025			✓	✓	✓	✓
Brentzel, Reese	trainee	VOL	👤				✓			✓
Brooks, Emily	supervisor	VOL	✓	06/01/2025	✓	01/28/2025	✓	✓	✓	✓
Brunet, Ty	trainee	VOL					✓			✓
Buteyn, Erik	trainee	EMP	👤		✓	06/02/2025	✓			✓
Choi, Ginny	trainee	VOL	✓	01/01/2024	✓	12/15/2023	✓			✓
Christenson, Alex	trainee	VOL	👤				✓			✓
Clean, Joe	trainee	VOL	✓	09/24/2023	🟡	09/23/2023	✓			✓
Colebank, Rachell	supervisor	EMP	👤				✓			✓
Cook, Lindsay	trainee	VOL	✓	01/03/2024	✓	12/14/2023	✓	✓	✓	✓
Fetter, Zach	trainee	EMP	✓	02/01/2024	✓	01/23/2024	✓	✓	✓	✓

Easily create and retrieve
Abuse Prevention Records

Given the need for historical documentation, the MinistrySafe system includes a Snapshot/Archive feature, allowing administrators to take an electronic 'snapshot' of the Control Panel, and preserve the captured records in an online library. Visit MinistrySafe.com/Demo to learn more.

