

State of the HML Market 2026 - The Latest Shifts: Healthcare Management Liability Market

The business liability landscape is constantly shifting, creating new exposures for senior executives at organizations of all sizes. Our US Executive Risk team share the latest on healthcare management liability.

Healthcare organizations continue to operate under sustained pressure from regulatory change, post pandemic disruption and increased public scrutiny. These dynamics are shaping the Healthcare Management Liability market, encompassing Directors' & Officers', Employment Practices and Fiduciary Liability.

A Complex Operating Environment

Across the spectrum of the Healthcare sector, there are a number of key risk drivers which underwriters are remaining mindful of.

- **Economic Inflation** – Damage exposures i.e. verdict, settlement, and defense costs have seen increases as a result of recent economic inflation (higher salaries, per hour rates, and other variables);
- **Social Inflation** – perceptions of the healthcare industry have deteriorated significantly post-COVID, particularly against larger healthcare systems and hospitals, which are increasingly perceived as being profit-maximizing at the expense of patient safety;
- **Corporatization & Consolidation** – accelerating consolidation and privatization in healthcare has further damaged public reputation amid increased propensity for liability-inducing behavior e.g. cost-cutting;

Exposures from anti-trust and False Claims Act cases alongside

financial distress tied to reductions in federal funding may increase, whilst Whistleblower retaliation may drive EPL risk.

Segment Specific Challenges

Acute challenges remain within Hospitals and Healthcare Systems. Anti trust exposure, evolving payor structures and physician related employment issues have all influenced long term claims experience.

Market Conditions and Outlook

Regulatory and funding changes, including shifts affecting Medicaid and federal healthcare programmes, are reshaping the sector. At the same time, Private Equity investment continues to introduce new healthcare entities with evolving management liability needs.

Carriers with specialist underwriting and dedicated HML claims teams are better positioned to understand sector specific nuances, respond to emerging trends and apply consistent underwriting standards. For Private Equity backed healthcare entities, partnering with experienced HML insurers can support more effective risk transfer amid a rapidly evolving risk landscape.

With a range of **executive risk products and services**, backed by experienced underwriting and claims expertise, our team ensures that organizations and their executives are resilient against the shifting sands of business liability landscape.

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