🏢 Captive Insurance 101: Bringing Risk Management In-House

The gist: Instead of buying insurance from a carrier, or solely from carriers, a captive lets you form your own insurance company to cover your risks—and potentially profit from it.

🔍 What It Is

A captive is an insurance company you own (or share), created to insure your organization's own risks. It can cover standard lines (property, casualty, liability, professional) or unique exposures traditional insurers won't touch.

📃 What It Covers

Coverage Type	What It Protects
Custom Risks	Tailored to your business needs
Standard Lines	Property, liability, workers' comp, professional liability, etc.
High Deductible Programs	Layering captive coverage with commercial excess

💡 **Pro tip: Captives aren't just for Fortune 500—mid-market companies use them to control costs and improve coverage.**

🆕 What's Changing

- **Regulatory attention –** Tax and compliance scrutiny is up.
- **More cell captives –** Easier entry for smaller companies.
- **Use for emerging risks –** Cyber, supply chain, environmental liability.

🛒 Buying Tips

1. **Run a feasibility study –** Captives require careful planning and expertise.
2. **Work with experienced managers –** Governance and compliance matter.

3. **Think long-term –** Captives pay off over years, not months.

📌 Bottom Line

Captives give you control, customization, and potential cost savings—but only if managed strategically and effectively.