From Primary to Excess: Comprehensive Coverage Strategies for Transportation Risks

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As the trucking industry faces heightened scrutiny, rising claims and more stringent contractual demands, excess trucking insurance has become a critical component of risk management. For independent agents working in the transportation space, understanding how to secure and structure excess liability coverage can give your agency a major edge.

When our transportation team quotes the primary auto liability, our brokerage team can typically help with the excess layers. While we're happy to quote over outside primary carriers, handling all lines in-house can streamline the process for your agency and your client.

PRIMARY

We work with several carriers that offer primary auto liability coverage for a broad range of operations. Whether your clients are hauling dry goods for Amazon or grocery chains, transporting hazardous materials like oil and fuel, or operating public/business autos such as taxis, limousines or company fleets, we have a market that fits.

To generate a timely and accurate trucking quote, we'll need the following:

- A completed application
- Applicable loss runs
- The last four quarters of IFTAs (mileage)
- Motor Vehicle Reports (MVRs)

The FMCSA mandates a minimum of $750,000 in auto liability coverage, but in practice, most shippers require at least $1M. Due to the rise in catastrophic losses and nuclear verdicts, some shippers are now demanding excess liability coverage of an additional $1M or more. This shift reflects a more litigious environment and the increasing severity of claims involving semi-trucks.

As inflation continues to impact transportation costs, your clients may be more price-sensitive than ever. But finding the right balance of coverage and cost is where your experience and access to the right markets makes a difference.

EXCESS

Standard markets continue to reduce capacity and pull back on excess limits for accounts with heavy auto exposure. That's where our brokerage markets come in, helping to fill gaps and meet the growing demand for contract-driven excess placements.

Contracts Drive Demand and We Can Help

Most excess coverage requests are driven by contract requirements, and our markets are typically flexible enough to include custom contract wording as needed. Simply include the necessary language with your submission. As more companies require written agreements with truckers, especially amid rising claim frequency and nuclear verdicts, this flexibility is key.

Premiums, Pricing Trends & Creative Layering

While excess auto rates are still rising, the increases are more moderate than in recent years and often in line with primary auto trends. Underwriters are cautious and evaluate accounts with significant exposure on a case-by-case basis. In some instances, we've found success layering higher limits, breaking coverage into smaller blocks (e.g., splitting $4M into two $2M layers) to offer more competitive pricing.

We have access to markets that can provide contract-specific excess options but be aware that minimum premiums typically start at $10,000, if not higher. These options are best suited for insureds with clearly defined contract needs and clean histories.

Submission Checklist for Success

To ensure your client's excess submission gets the best look from underwriters, include:

- Fully completed trucking supplemental application
- ACORD 125 and 131 forms
- All underlying quotes
- Five years of currently valued loss runs (or MVRs if less than five years)
- Current unit and driver list
- Target premium (incredibly helpful)

Don't Forget Cargo and Physical Damage Options

Beyond auto liability, our brokerage team can work with our transportation team to meet broader insurance needs. For example:

- We can offer excess Motor Truck Cargo (MTC) to help meet high-limit contract requirements—up to $2M+, depending on the risk.
- We also have access to catastrophic physical damage coverage for fleets with all power units housed at a single location.

As claim severity grows, helping your insureds manage risk is essential. Emphasize vehicle maintenance, driver controls and fleet safety protocols. Prioritizing these will help with underwriting, pricing and long-term insurability.

Whether it's securing excess liability, navigating tough contract requirements, or thinking outside the box with creative layering and additional lines, our team is here to help. Let's work together to help your client find the right solution.

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